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MINNESOTA
BANKERS
ASSOCIATION

MINNEAPOLIS
1921

An Apology.

Delay in the issuance of this book is wholly due to our inability to carry out our contract with the Minnesota Bankers Association, because of the Printers' Strike, which has been in effect since June first.

The Cootey Company

THEORY

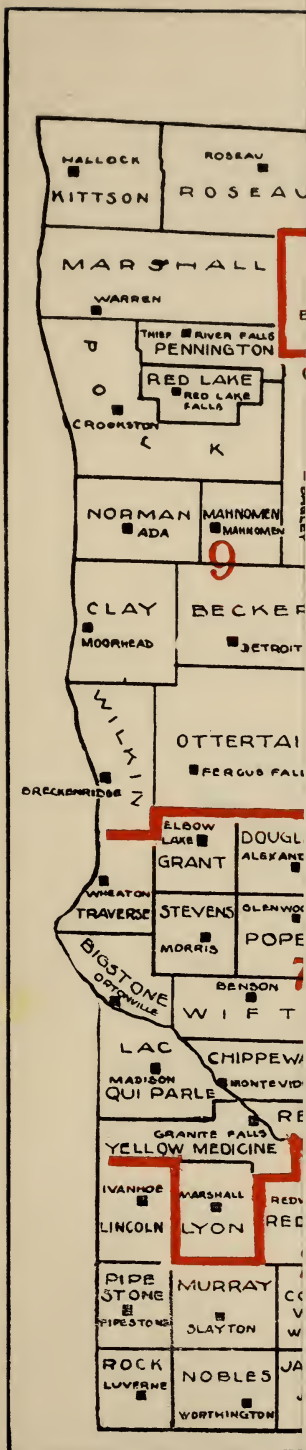
The theory of the present experiment is based on the fact that the rate of change of the concentration of a substance in a solution is proportional to the concentration of the substance itself. This is expressed by the following equation:

$$\frac{dC}{dt} = -kC$$

where C is the concentration of the substance, t is time, and k is the rate constant. The solution of this equation is:

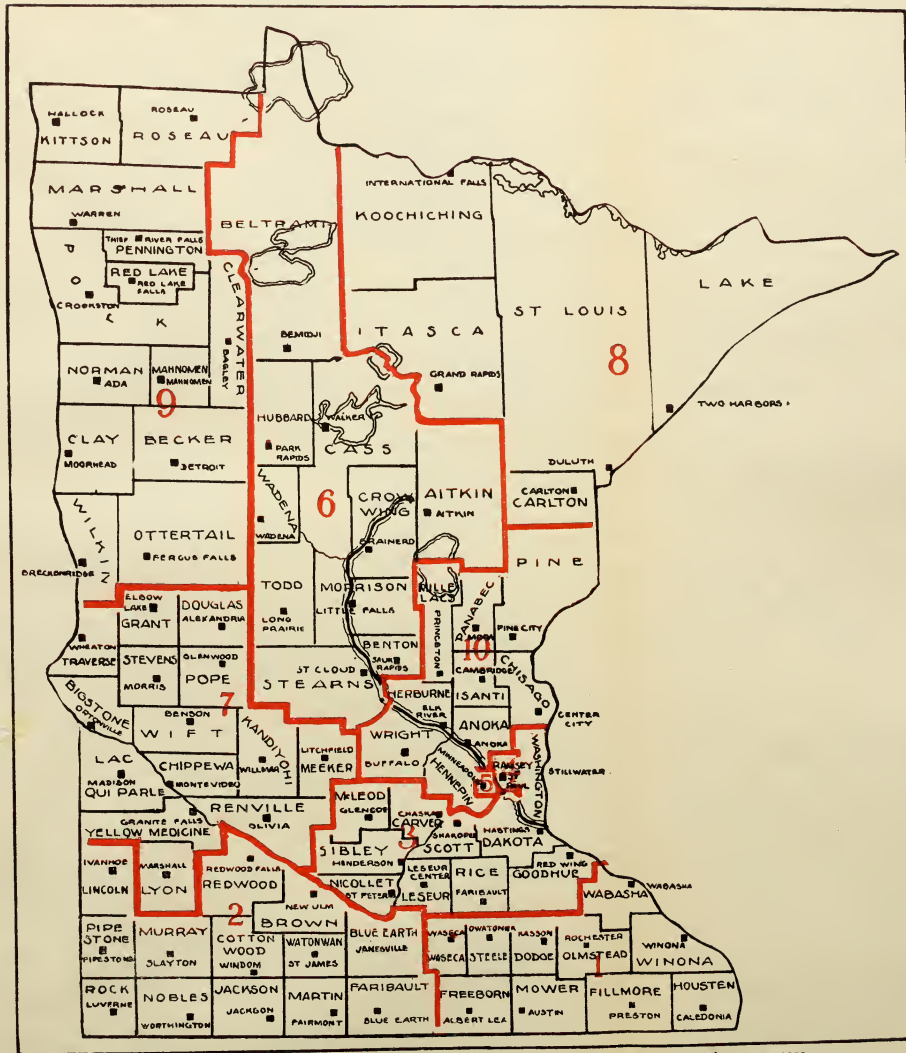
$$C = C_0 e^{-kt}$$

where C_0 is the initial concentration. The rate constant k can be determined by plotting $\ln C$ against t , which should give a straight line with a slope of $-k$.



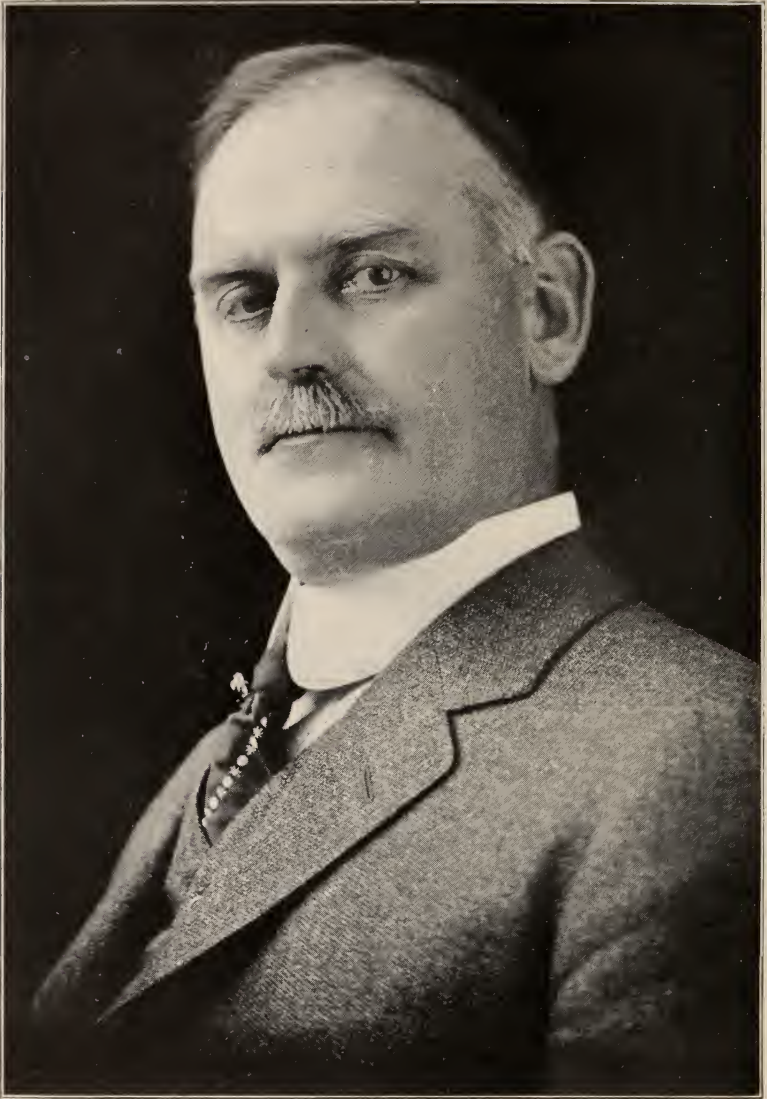
MAP OF MINN

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MAP OF MINNESOTA SHOWING GROUP DIVISIONS OF MINNESOTA BANKERS ASSOCIATION

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O. M. NELSON, St. Paul
Retiring President, Minnesota Bankers Association

PROCEEDINGS
of the
THIRTY-SECOND
ANNUAL CONVENTION
**Minnesota Bankers
Association**

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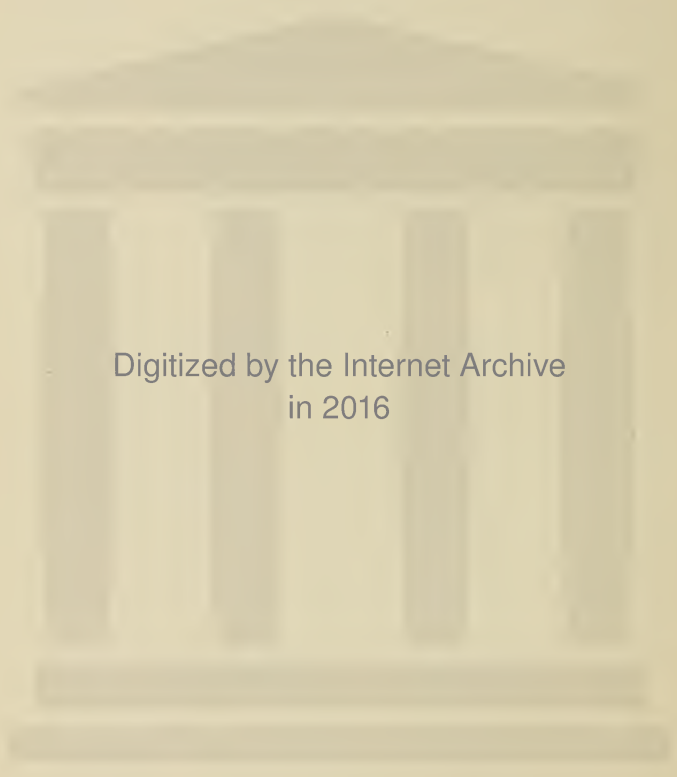
SEP 9 1921

THURSDAY and FRIDAY
JUNE TWENTY-THIRD and
TWENTY-FOURTH
NINETEEN HUNDRED and TWENTY-ONE

✕

CURTIS HOTEL

MINNEAPOLIS



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1921

Table of Contents

	Page
Disclaimer	4
Schedule of Membership Dues	4
Committees	5
Officers, Minnesota Bankers Association	6
Council of Administration	6
Group Officers	7
Former Association Presidents	10
Representatives to American Bankers Association	10
Program	11
Convention Called to Order	15
Invocation, Rev. H. P. Dewey	15
President's Annual Address	17
Presentation of Gavel by Vice President Mr. J. J. Ponsford	22
Report of Committee on County Organizations	24
Report of Educational Committee	28
Report of Committee on Legislation	32
An Analysis of the Guaranty of Deposits Bills	38
Address by Mr. John S. Drum, San Francisco	47
Resolution, Michael J. Dowling Memorial Fund	56
Report of Council of Administration	59
Report of Secretary	61
Treasurer's Financial Report	69
Secretary's Financial Report	71
Statement of Income	72
Address by Mr. Joseph Chapman, Minneapolis	75
Address by Mr. James S. Peters, Manchester, Ga.	83
Address by Mr. W. H. Doyle, Platteville, Wis.	91
Address by Lieutenant Governor Louis L. Collins	97
Meeting of Members of American Bankers Association	102
Address by Dr. B. M. Anderson, New York	106
Report of Committee on Resolutions	123
Amendment to By-Laws	131
Election of Officers	132
Entertainment	136
Yellowstone Park Trip	137
Alphabetical List of Members	138
List of Members by Group and County Divisions	157
Constitution and By-Laws	181

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Disclaimer

No opinion expressed, principles advocated, theories advanced or policies suggested by any party or person, however presented, shall be deemed to have had the endorsement of this Association unless the question of so endorsing shall have been referred to the Council of Administration; shall have been reported upon by it, and shall have been specifically voted upon, receiving a majority of the votes of the delegates present and entitled to vote at any general meeting of the Association.

This article of the By-Laws shall be published in every report of the proceedings of any convention.

Art. X, Sec. 1, By-Laws:

MEMBERSHIP

“Active”—Any National or State Bank, Trust Company, or Savings Bank of Minnesota, may become a member of this Association upon the payment of such annual dues as shall be provided for in the By-Laws.

Any Corporation, Firm or Individual, dealing in Bonds, Mortgages, or Commercial Paper, may become a member upon invitation from the Council of Administration, subject to the provisions of the By-Laws.

Schedule Of Dues.

Banks and Trust Companies with less than \$15,000 capital and surplus	\$ 5.00
Banks and Trust Companies with \$15,000 capital and surplus and less than \$50,000	10.00
Banks and Trust Companies with \$50,000 capital and surplus and less than \$100,000	15.00
Banks and Trust Companies with \$100,000 capital and surplus	
Banks and Trust Companies with \$100,000 capital and surplus and less than \$500,000	20.00
Banks and Trust Companies with \$500,00 capital and surplus and less than \$1,000,00	50.00
Banks and Trust Companies with \$1,000,000 capital and surplus or more	75.00

COMMITTEES

GENERAL CONVENTION COMMITTEE

W. F. McLANE	Hennepin County Savings Bank	Minneapolis
J. J. PONSFORD	State Bank of Watertown	Watertown
J. L. MITCHELL	Capital National Bank	Saint Paul

ENTERTAINMENT COMMITTEE

P. J. LEEMAN	First National Bank	Minneapolis
R. E. MAC GREGOR	Northwestern National Bank	Minneapolis
W. R. MURRAY	Midland National Bank	Minneapolis
J. W. BARTON	Metroplitan National Bank	Minneapolis
C. E. HILL	Minneapolis National Bank	Minneapolis

MINNESOTA BANKERS ASSOCIATION

1920-1921

OFFICERS

O. M. NELSON	President
First National Bank, Saint Paul.	
J. J. PONSFORD	Vice President
State Bank of Watertown, Watertown.	
C. L. HANSON	Treasurer
First National Bank, Thief River Falls.	
G. H. RICHARDS	Secretary
Minneapolis.	

COUNCIL OF ADMINISTRATION

O. M. NELSON, President	Saint Paul
J. J. PONSFORD, Vice President	Watertown
C. L. HANSON, Treasurer	Thief River Falls
G. H. RICHARDS, Secretary	Minneapolis

1921

JAMES L. MITCHELL	Capital National Bank	Saint Paul
W. A. SHAW	Clearwater State Bank	Clearwater
WILL WILKE	The Wilke Brothers Company	Grey Eagle

1922

J. W. LYDER	Northern National Bank	Duluth
F. C. THORNTON	First National Bank	Benson
H. S. ERICKSON	Security State Bank	Detroit

1923

D. D. DEVINE	Freeborn County State Bank	Albert Lea
W. A. STREATOR	National Citizens Bank	Mankato
A. M. SCHAEFER	Peoples State Bank	Jordan
W. F. McLANE	Hennepin County Savings Bank	Minneapolis

GROUP OFFICERS ELECTED 1921

First District Group

- G. H. HAVEN.....President
First State Bank, Chatfield.
- A. V. GARDNER.....Vice President
First National Bank, Winona.
- W. N. PARKHURST.....Secretary-Treasurer
National Farmers Bank, Kasson.
- P. D. BEAULIEU, Austin National Bank.
- J. G. ROBERTSON, Rushford State Bank.
-

Second District Group

- J. E. RORMAN.....President
First National Bank, Winnebago.
- HANS MO.....Vice President
State Bank of Sleepy Eye.
- J. J. MALONEY.....Secretary-Treasurer
Farmers State Bank, Heron Lake.
- H. A. BALDWIN, First National Bank, Redwood Falls.
- WM. JACOBSON, First National Bank, Luverne.
-

Third District Group

- O. J. SCHUMACHER.....President
Drovers State Bank, So. St. Paul.
- JOHN BOOCK.....Vice President
Faribault St. Bank, Faribault.
- HENRY THOENY.....Secretary-Treasurer
First National Bank, Glencoe.
- J. F. LUZINGER, First National Bank, Forest Lake.
- N. H. OLSON, Citizens State Bank, St. Peter.

Sixth District Group

- A. J. HAYES.....President
First National Bank, Brainerd.
- W. LEIGH CARY.....Vice President
Merchants National Bank, St. Cloud.
- L. E. PERKINS.....Secretary-Treasurer
First National Bank, Verndale
- R. H. NEILS, Benton Co. St. Bank, Sauk Rapids.
- EDWARD ZAPP, Zapp State Bank, St. Cloud.
-

Seventh District Group

- THEO. AUNE.....President
Glenwood State Bank, Glenwood.
- I. F. FAGERLIE.....Vice President
Clarkfield State Bank, Clarkfield.
- R. H. LUNDBERG.....Secretary-Treasurer
Chokio State Bank, Chokio.
- G. W. HUGHES, First National Bank, Glenwood
- F. C. THORNTON, First National Bank, Benson.
-

Eighth District Group

- ALFRED HOEL.....President
First National Bank, Gilbert.
- J. D. MALONEY.....Vice President
American Exchange Nat'l Bank, Duluth.
- A. B. SHANK.....Secretary-Treasurer
First National Bank, Biwabik.
- J. H. INGWERSEN, First National Bank, Duluth.
- J. A. GILESPIE, First National Bank, Carlton.

Ninth District Group

- J. M. HANSON.....President
Polk County State Bank, Crookston.
- R. B. RATHBUN.....Vice President
Merchants National Bank, Detroit.
- T. M. ALEXANDER.....Secretary-Treasurer
Farmers & Merchants State Bank, Fergus Falls.
- T. H. SMITH, Farmers State Bank, Mavie.
- G. G. KIMPEL, Citizens State Bank, Mahnomen,
-

Tenth District Group

- J. W. PRIBYL.....President
Farmers & Merchants State Bank, Monticello.
- H. N. LUNGWITZ.....Vice President
First State Bank, Silver Creek.
- A. R. BERGLUND.....Secretary-Treasurer
Farmers & Merchants State Bank, Zimmerman
- H. S. QUIGGLE, Bankers National Bank, Minneapolis.
- BAZEL HUNTER, St. Francis State Bank, St. Francis.

FORMER ASSOCIATION PRESIDENTS

*Deceased

*D. A. MONTFORT	1897-1898	W. I. PRINCE	1909-1910
A. A. CRANE	1899-1900	*L. A. HUNTOON	1910-1911
J. C. HUNTER	1900-1901	D. S. CULVER	1911-1912
J. R. MITCHELL	1901-1902	*D. C. ARMSTRONG	1912-1913
J. W. WHEELER	1902-1903	J. S. POMEROY	1913-1914
*A. C. ANDERSON	1903-1904	W. D. WILLARD	1914-1915
*O. H. HAVILL	1904-1905	O. W. LUNDSTEN	1915-1916
CLIFF W. GRESS	1905-190	H. VON DER WEYER	
*H. D. BROWN	1898-1899		1916-1917
*W. E. LEE	1906-1907	A. C. GOODING	1917-1918
C. D. GRIFFITH	1907-1908	E. L. MATTSON	1918-1919
JOSEPH CHAPMAN	1908-1909	*M. J. DOWLING	1919-1920

THE AMERICAN BANKERS REPRESENTING MINNESOTA IN
ASSOCIATION.

ELECTED 1921.

Vice President For Minnesota

D. D. DEVINE Cashier Freeborn County State Bank
Albert Lea

Executive Council

C. L. HANSON Pres., First National Bank,
Thief River Falls.
A. A. BENNETT Pres., First National Bank, Renville
J. A. LATTI V. Pres., Northwestern National Bank,
Minneapolis
C. H. DRAPER Pres., First National Bank, Wells

Nominating Committee

E. L. MATTSON V. Pres., Midland National Bank,
Minneapolis

Alternate Member of Nominating Committee

J. B. GALARNEAULT Pres., National Exchange Bank, St. Paul

Vice President National Bank Section

J. H. INGWERSEN V. Pres., First National Bank, Duluth

Vice President of State Bank Section

F. A. GROSS Pres., North American Bank,
Minneapolis

Vice President of Savings Bank Section

W. F. Mc LANE V. Pres., Hennepin County Savings
Bank, Minneapolis

Vice President of Trust Company Section

A. B. WHITNEY Trust Officer, Minneapolis Trust Co.,
Minneapolis

ORDER OF PROCEEDINGS

FIRST DAY OF CONVENTION THURSDAY JUNE 23RD 1921 MORNING SESSION TEN O'CLOCK

Ball Room at Curtis Hotel
Convention called to order by
President O. M. NELSON

ORDER OF BUSINESS

Music by Masonic Quartette
Invocation—Rev. H. P. Dewey, Pastor Plymouth Church
President's Annual Address
Reports { Council of Administration
Secretary
Treasurer
Report County Organization Committee
Mr. C. A. CHAPMAN
Report Educational Committee
Mr. J. C. THOMSON
Address: Mr. JOHN S. DRUM
President American Bankers Association
"Minnesota With Relation to General Condi-
tions and World Trade."
Reading of Proposed Resolutions Mr. WILL WILKE
Chairman Resolution Committee
Adjournment until 2:00 o'clock

AFTERNOON SESSION, TWO O'CLOCK ORDER OF BUSINESS

Address: Mr. F. S. DICKSON
Attorney General of Illinois
"Business Man's Duty"
Address: Mr. JAMES S. PETERS
V. P. Bank of Manchester, Ga.
"Federal Reserve System and Par Collections"
Announcements and Adjournment of Second Session

MEETING OF MEMBERS OF AMERICAN BANKERS ASSOCIATION

Immediately following the adjournment of the afternoon session of the convention a meeting of the members of the American Bankers Association will be called to order by Mr. C. L. Swenson, Vice President for Minnesota, for the purpose of electing the following:

(1) A member of the Executive Council to succeed Cliff W. Gress, whose term of office expires at the 1921 convention.

(2) A Vice President for Minnesota to succeed Mr. C. L. Swenson.

(3) A member to serve on the Nominating Committee.

(4) An alternate member of the Nominating Committee.

(5) Vice Presidents for Minnesota of the following A.

B. A. Sections:

Trust Company Section

Savings Bank Section

National Bank Section

State Bank Section

SECOND DAY OF CONVENTION
FRIDAY JUNE 24th 1921
MORNING SESSION TEN O'CLOCK

ORDER OF BUSINESS

Address : Dr. B. M. ANDERSON
Chase National Bank, New York

"Outstanding Factors in the Business Situation."

Report of Resolution Committee

Unfinished Business

New Business

Election and Installation of Officers

Adjournment

COUNCIL OF ADMINISTRATION MEETINGS

In accordance with the usual custom, a meeting of the Council of Administration will be held prior to the Convention for the consideration of any proposed amendments to the Constitution or By-Laws, or Resolutions from Group Meetings. This meeting is called for 6:30 o'clock at the Curtis Hotel on the evening of Wednesday, June 22nd.

Any proposed amendments or resolutions, excepting those proposed by the Committee on Resolutions, should be presented at this meeting. Other business to come before the Council should be sent to the Secretary previous to the meeting.

Immediately following the adjournment of the closing session of the convention on June 24th, the new Council of Administration will meet for the purpose of transacting any business which may properly come before it.

SOCIAL FEATURES

Thursday Afternoon

Ladies who do not care to attend the afternoon session of the convention will be provided with tickets to the New Garrick Theatre. This privilege will be extended to the Ladies only as it is assumed that no Minnesota banker would care to forego the privilege of attending the afternoon meeting.

Thursday Evening

All delegates and guests will be invited to attend a theatre party at the State Theatre. This is one of the most modern and up-to-the-minute moving picture houses in the Northwest. Tickets will be good for any of the evening shows.

Friday Afternoon

A special train on the Minneapolis, Northfield & Southern Railroad (Dan Patch Line) will take the entire party to the Automobile Club on the Minnesota River. This afternoon and evening is claimed by the Entertainment Committee. A ball game is to be staged on the club ball grounds between bank men belonging to the bank league of Saint Paul and Minneapolis. A buffet supper will be served at the Club House, and the evening, and whatever portion of the night is desired, will be devoted to dancing. Return to the city will be by train. Regular train at 9:30 p. m. will allow those taking the Yellowstone Park trip to return to the city at an early hour also those desiring to take the late trains out. A special train will leave the Automobile Club at 12 o'clock to accomodate those wishing to stay until that hour.

YELLOWSTONE PARK TRIP

Many bankers associations feature a pleasure trip at the time of the annual convention. This custom has been carried out in Minnesota in the past, but for a number of years prior to 1920, no attempt was made to organize a traveling party. As the 1920 convention was held in Duluth it seemed fitting to offer to the members of the Association the privilege of a lake trip. The response to the plan was very gratifying and it appears that among the many member banks there are usually a sufficient number interested to warrant the organization of a party each year. It has, therefore, been arranged to go to the Yellowstone National Park for the 1921 trip.

The Minnesota Bankers Association special train will leave Minneapolis on Friday night, June 24th. Entrance to the Park will be made at Gardiner and after four and one-half days in the Park, the return will be made from Cody, Wyo., for the main party. Some will continue the trip to Glacier Park and others to Pacific Coast points. These trips are for pleasure and while an excellent opportunity is afforded for the extension of business acquaintance, the main purpose is pleasure only and each passenger is expected to do his or her part in providing it. With this disposition always in evidence the members of the party are sure of having a most enjoyable outing.

Thirty-Second Annual Convention of the **Minnesota Bankers Association**

CURTIS HOTEL

MINNEAPOLIS

June 23-24, 1921

Thursday, June 23, 1921

President OTTO M. NELSON: Ladies and gentlemen, the Thirty-Second Annual Convention of the Minnesota Bankers Association will now come to order. We will have singing by the Masonic Quartette.

(Several vocal selections were rendered by the Masonic Quartette.)

President OTTO M. NELSON: I suggest now that we all join in singing "America," with fervor, as if we thought, as we really do, that this is the greatest country in the world.

(The audience rose and sang the National Anthem.)

President OTTO M. NELSON: Rev. H. P. Dewey, Pastor of the Plymouth Church, will now give the invocation.

Rev. H. P. DEWEY: Our father's God, our Father, we look to Thee and thank Thee for all those interests and aims of life which unite us together in groups; and today we especially thank Thee for this Association, valued and tested with time, this Association of men who share in great responsibilities, in aims and hopes respecting the financial welfare of their several communities. And we pray Thee that, meeting here, they may derive strength from one another and cheer from one another, and may learn wisdom concerning the banking business, that it may be more expeditious and more useful and a greater instrumentality in bringing prosperity and stability to our State. But we beseech Thee, our Father, that, seeking human fellowship and the wisdom that human minds can give, we may not forget that above all we seek Thy wisdom; and perplexed and distraught as we are in these days, when business sags and when the future seems very uncertain, they may not forget that a very practical man of old said:

"That if any man lacks wisdom, let him ask of God who giveth liberally and upbraideth not; and it shall be given him. But let him ask in faith, nothing doubting: For he that doubteth is like a wave of the sea driven with the wind and tossed."

And may these Thy servants know that Thy wisdom will surely be given unto them if in all things they try to accord themselves with Thy will. So we beseech Thee that Thou wilt help them here to love righteousness and justice and truth, and that their affairs may be instinct with that good will which is so much needed in the industrial and financial world today and with which alone can come mutual understanding.

Then we pray Thee, our Father, that the influence of wisdom and good will from this Convention may go out into all the channels of trade and may be contagious far and wide; that they may even influence the President of the United States and the Congress as they look out upon a world tossed with passion, upon nations that mutually distrust one another and that are made part of one another by the very aspect of war itself.

And we ask Thee, our Father, that Thou wilt help this America, in whose name we have sung, to feel that it is to be almoner of good to all mankind, and particularly in these days to urge other nations into a conference that the weapons of war may be put away or reduced, and that we may look forward to the time when men will learn war no more.

May we rejoice here today that by this Convention and by the thoughts in our hearts and minds we may do something to contribute to the time when business shall be built not upon force, but upon wisdom and good will and righteousness. Hear us, as we pray together in the name of Him who taught us to pray:

"Our Father, which are in heaven, hallowed be Thy name. Thy kingdom come. Thy will be done in earth, as it is in heaven. Give us this day our daily bread. And forgive us our trespasses as we forgive those who trespass against us. And lead us not into temptation, but deliver us from evil.

For Thine is the kingdom, and the power, and the glory, forever. Amen."



J. J. PONSFORD, Watertown
President, Minnesota Bankers Association

President's Annual Address

MR. OTTO M. NELSON

First National Bank, St Paul.

Ladies and Gentlemen :

Following the custom of previous years, I desire to acquaint you in a brief manner, with some of the outstanding activities undertaken by your Association during my term of office.

A survey of economic conditions that prevailed during the year through which we have just passed, presents to us a most vivid picture of the trials and difficulties that have beset the path of every prudent banker. Although doubt and uncertainty still, in a measure, abide with us, we cannot but feel that to have kept our business in tune with the rapidly changing commercial conditions and violent fluctuations in commodity prices, has endowed us with a ripe experience that will enable us to successfully cope with the problems of the future as they present themselves.

Although the struggle is not ended, I believe, as we look down the broad highway of finance, we observe the shadows growing dim and the flashes of sunlight breaking through to guide our footsteps and dispel the gloom, encouraging us to labor with a renewed zeal and hope of ultimate reward.

I venture to say that every banker has been quickened by a new zeal to conduct his bank along more conservative lines, to eliminate all speculation, to foster sound business, and to extend his facilities to the utmost in the upbuilding of legitimate business enterprises, and in conserving the resources of his community with a view to their permanency, realizing that he can best serve the needs of his community by keeping his house in order, maintaining at all times paper of a character sufficiently liquid to enable his bank to meet the seasonal demands of its customers, and to protect it against the inevitable and unexpected withdrawals of funds by its depositors.

Let us return to individualism, every man attending to his own job, thereby increasing our efficiency in all lines of endeavor, realizing that Legislative Sessions in the Winter and

Congressional Sessions in the Summer, are not substitutes for work.

The paramount questions with which we are concerned at home, seem to be wages and existing high prices,—the deflation process, although exceedingly irregular, and somewhat lopsided, has progressed to a considerable degree.

Out of the transition period a better understanding, we believe, will obtain between capital and labor, each being willing to bear his share of the responsibility, and that a gradual reduction of wages will have its compensation in the gradual lowering of commodity prices, thereby depriving labor of but a small percentage of the advantages obtained during the war. In this better understanding each will have a full realization of the necessity of industrial peace; Capital will be not too grasping and more considerate of labor, and the workman will once more like his job, and rise from the low plane of inferiority to the higher plane of efficiency. It is a well known fact that workmen well housed, well clothed, well fed, and in a pleasing environment become more efficient, but the laborer must realize that this condition cannot continue when inefficiency obtains.

The depression in business existing in the period through which we are now passing is referable to no one cause in particular, but we are a nation endeavoring to rise to our full stature of economic strength, grasping the various remedies as they present themselves.

We, of the Northwest, will find the road that leads to normalcy by harvesting a crop that will have cost less to produce than any crop of recent years,—at such a minimum, I am told, that a profit may be realized on ten bushels per acre at 80 to 90 cents per bushel. We trust, however, that this experiment may not be necessary, but that the efforts of our various foreign trade financing corporations may be successful in creating and financing a brisk foreign demand, thereby insuring a fair price for grains produced in our territory.

Although the United States occupies the enviable position of a creditor nation, a sharp reaction has taken place in our foreign trade,—our country exports having fallen from 928,000,000 in June, 1920, to 384,000,000 in March, 1921. This in itself is a sufficient and fundamental cause for business depression in our own country. The revival of our export trade is of paramount importance.

Efforts should be made to assist the exporter in every way possible along legitimate lines, securing for him, in so far as possible, first hand information as to the condition and integrity of the countries in which he is trading, and also endeavoring to furnish him with desirable accounts, the credit ratings of which have been carefully analyzed.

The social, commercial and financial relationships of the world are so intermingled, that in order to have the machine move along smoothly, it is quite impossible to remove one cog from the wheel, as boycotting or eliminating any one country will disturb the machinery to such an extent that it will not function properly.

We desire foreign export trade fostered and built up by an exchange of commodities rather than by settlement in gold. There is at present an abundance of gold in the country; in fact an amount in excess of the needs for credit purposes, and if we were to receive foreign commodities in exchange for ours, it would mean the prosperity and the upbuilding of industries in the exporting country, as the wealth of the country depends first upon its natural resources, and in addition to that, the efforts and energy of man used in shaping them into useful commodities.

In this connection my thought turns to Mr. Hoover. The name Hoover has the utmost respect of all civilized nations. He has conducted large enterprises with great skill and success. I hold no brief for Mr. Hoover, but I do say that never before has a man had such a psychological and advantageous opportunity to gather together all the potential powers of this great nation in the interest of foreign trade.

I desire to call your attention to some of the activities of our own Association, and in this behalf I want to express my thanks for the very efficient work of our Secretary, who has been most helpful to me during the past year, and to the various committees that have worked with me in a more than willing and efficient way. I might especially mention Mr. Wilke, at the head of the Resolutions Committee, and Mr. Fellows, at the head of the Legislative Committee. With Mr. Fellows were associated Mr. McLane and Mr. Devine.

The Minnesota Bankers Association is taking its proper place in the business life of the Northwest. When called upon,

representatives are sent to convention cities or to Washington to voice the sentiments of the bankers of the State. A delegation was sent to Detroit, Michigan, to attend the meeting of the Great Lakes-St. Lawrence Tidewater Congress, as well as a delegation to Washington to appear before the Agricultural Committee of the House.

The President, Vice President and Secretary attended the annual conference of the officers of bankers associations at St. Louis, in March, and our Secretary has represented the Secretaries of Bankers Associations of the United States before the Insurance Commissioners Association in New York. All this serves to place our Association in the proper relation to other business organizations, and will result in direct benefit to our members.

In January we organized a Bankers Short Course at the University of Minnesota, following the very purpose of our splendid educational institution. This, of course, brought together perhaps from one hundred and fifty to two hundred bankers, where practical banking questions were discussed. Our Association has also been actively connected with the movement which resulted in the establishment at the University of a department known as the School of Business. This Department is rapidly becoming one of great importance, and provides for trained business men a regular graduate degree.

Following the mandate of the Thirty-first Annual Convention at Duluth, our Legislative Committee took an active interest in the various Guaranty Deposit Laws. Our Legislators gave the matter most careful consideration, and I am sure felt convinced that there seemed to be no demand at the present time for the enactment of such a law in Minnesota, as since February, 1919, but two failures are recorded, both being small banks, with current liabilities in the way of Bills Payable, Rediscounts, and Deposits of \$250,000,—with every prospect for depositors being paid in full. The records show that during the past twelve years there has been a loss to depositors of only fifteen and six-tenths cents on every thousand dollars deposited, which reflects the high standard of banking in our State.

Bankers of the State of Minnesota also lent their moral and financial aid in behalf of the Babcock System of Highways,

believing that no star in Old Glory is more deserving, from the standpoint of scenic beauty, and gives more for money expended, than our own fair State of Minnesota.

With the prospects as they appear today in this Land of Promise, we should harvest an excellent crop, which has a market six days in the week, and no doubt will result in substantial liquidation the coming Autumn.

I wrote to Mr. Flanagan, down in Nebraska, asking them how they were getting along under the Guarantee of Deposits Law, and he sent me a clipping from the *Omaha World Herald*, which said that the guarantee fund has had a great shock and will have to pay out \$1,500,000 covering the failure of ten banks with liabilities running from \$15,000 up to \$600,000, and, as Mr. Flanagan puts it, "the end is not yet." Gentlemen, you are to be complimented upon the high standard of the banking industry which exists in the state of Minnesota.

The Legislative Committee worked hard on this proposition. Another measure that they were successful in defeating was the Co-operative Bank Bill introduced for the purpose of establishing a co-operative bank, a measure, gentlemen, that nullified all the good principles of sound banking. It received scarcely any attention.

Another bill I might just mention to you introduced a change in the method of taxation of bank stock. Heretofore it has been on the shares held by the individual, now it is the invested capital, and by a ruling of the Department, the tax paid is a proper deduction in making your income tax returns. This, however, does not apply to national banks.

We certainly are in the Land of Promise, yet one astonishing thing presents itself to us. We have our troublemakers. We have radicalism in our midst, without, as I can see it, any apparant cause. But I think you will all agree with me when you recall the last state election and when you recall the recent election in Minneapolis that radicalism and the trouble makers are not so sure of their footing and are not so numerous as we expected.

In this connection I want to pay tribute to the bankers of the State of Minnesota. As busy as they are and as busy as they have been, they have found time to devote a considerable amount of their energies to the upbuilding of a good standard

form of civic government. They have assisted in many ways too numerous to mention, and this certainly is a good sign. The banker is supposed to be, at least, a man of good character and standing in his community, an example, as it were, for the men with whom he does business. And although we were very much alarmed when the Spector of Radicalism stood upon our border ready to cross over and plant the seeds of sedition upon the sacred soil of Minnesota, I want to say to you men, that the bankers of Minnesota arose *en masse* and with warning hand said: "Thou shalt not pass."

Mr. J. J. PONSFORD: Mr. President.

President O. M. NELSON: Mr. Ponsford.

Mr. J. J. PONSFORD: Ladies and Gentlemen of the Convention: Through custom of our Association, as your Vice President, a very pleasant duty devolves upon me at this time of presenting to our worthy and efficient President the usual and befitting instrument of his office, this gavel. It is not, however, because of any desire to follow custom or cold conventionality, but because of the high regard and esteem in which he is held by the members of this Association. To some we might be reluctant to hand an instrument of these proportions, resembling as it does a common hammer, but in the hands of our good President we feel confident it will not be made use of in undue "knocking" of the members.

In behalf of the members of the Association I, therefore, present you with this gavel. May this Convention, of which you are now in charge, be governed through it with justice to all and special privilege to none. During the year which is now drawing to a close in which you have served as our President, your duties have been many, your responsibilities great. You have served us well, and we trust it has been gratifying to you.

May this small token ever be an emblem to you of the esteem in which you are regarded by every banker in the state of Minnesota for the high degree of efficiency which you have maintained. May you cherish it, not for its intrinsic value, but for the spirit with which we, the members of the Minnesota Bankers Association now tender it to you.

President O. M. NELSON: Mr. Ponsford, and members of the Bankers Association, I just want to say that I accept this with the keenest and most genuine appreciation that I possibly could feel. To have been your President the past year has been a most pleasant privilege, and I will say nothing further than to assure you that I shall always cherish this as a reminder of one of the happiest years of my existence. I thank you most heartily.

Mr. Richards wants to make an announcement.

Secretary G. H. RICHARDS: Gentlemen, I wish to call the attention of those of you who purchased your transportation to Minneapolis on the certificate plan, to the necessity of turning in your certificates. If you will sign your certificate and attach to it the little portion of the ticket that you came on and hand both of them to the Information Bureau, they will retain them, and in the event that we collect 350 of them, the tickets will be returned to you, if you call for them at the Information Bureau, and you will be enabled to purchase a return ticket at half price.

It necessitates careful attention and will those of you who have purchased your ticket to Minneapolis on the certificate plan, please attend to it this morning, if possible. Sign your ticket on the end, and turn it in to the Information Bureau. In that way we will be able to find out whether we can collect 350 tickets, thereby saving you a half fare on your return trip.

President O. M. NELSON: The next business in order is the report of the Council of Administration, and the report of the Secretary and of the Treasurer.

Secretary G. H. RICHARDS: Following a custom of the Association, the report of the Council of Administration and of the Secretary and the Treasurer have been prepared in pamphlet form. I must apologize, gentlemen, for not having them out a little earlier. It is due entirely to the tie-up of our printing establishment, on account of the printers' strike. I did not get delivery on these pamphlets in time to send them to each member bank before you left your institutions. However, Mr. President, they have been distributed among the members here and they have been placed in each chair, and, unless the reading of these reports is requested, I believe it would be consistent to dispense with it.

President O. M. NELSON: Will someone move to dispense with the reading?

Mr. H. B. BALDWIN: I move that the reading of the reports be dispensed with.

(The motion was duly seconded.)

President O. M. NELSON: All in favor of the motion signify by saying aye, opposed, no. The motion is carried.

The next number of our program is one of vital interest to our Association, the report of the County Organization Committee, by a man who has wrestled with these questions for a long time, and I know he has a hammer-lock on it, Mr. C. A. Chapman.

Mr. C. A. CHAPMAN: Mr. President, Ladies and Gentlemen of the Convention: This is the second year in which County Organization Committees have been endeavoring to propagate this particular work, and this present committee in reporting for this year's work desires not only to discuss it in detail, but to throw the entire subject open for discussion from the floor and have your recommendation with reference to it, whether you wish the work continued, how you wish it carried out, and what you wish done with it. In order to get the matter before the house we have prepared a written report, which I want to follow with a few words of oral argument developing the matters which are contained in the written report.

I am hoping that this report may challenge the express approval or disapproval of as many of you as possible, so that this subject may have discussion from the floor. Your Committee has very strong convictions upon the value of county organization, and these convictions have come to us after two years of investigation, survey, discussion and correspondence with many of you out over the state. You will hear the written report first.

"There are now in existence, properly organized and officered, twenty-seven County Bankers Associations in the State. Of these, fifteen are holding meetings with success, some annually and a few more frequently. Your Committee recommends the organization of an association in each county having five or more banks, or in some instances the association of two counties.

"Specifically the work to be done is the establishment of mutual confidence and friendship among immediate competitors and neighbors, and the adjustment of their relations upon the broad ground of mutual accord and co-operation. Differences can be composed, conditions, practices, abuses, and tension adjusted, adequate compensation for services obtained, waste and useless gratuities diminished, and destructive competition avoided.

"From the standpoint of association administration, the county units furnish a block plan permitting the prompt submission of current problems to the bankers of the State in assembly, and obtaining full, free discussion, and expression of opinion.

"Socially the County Association affords the banking group a means of associated action in conjunction with the agricultural, commercial and other organized groups. The County Association meetings should be, as far as possible, attended by bank directors as well as officers, looking to the widest diffusion of sound ideas and practices in all the facts, and the communities they serve, the checking of unsound teaching and the propagation of the doctrines of work, thrift and true American finance."

I move the adoption of this committee report and the adoption of the recommendations contained in it, and in support of the motion I would like to say a few words. It has come back to the Committee that some feel that we are already over organized. Are we over organized? We have a state association. We meet as individual members of it once each year, and in the interim we leave our work to George and the President of the Association. They are expected to carry out during the entire year, often unassisted, sometimes without the proper support of the rest of us, the detail work of the Association.

There is one very important thing to think of in these days, with reference to organization. There are interests in the state which are organized; there are groups which are organized down to a man. The individual men in these groups are organized to do one thing, and that is to carry on a propaganda inimical to what has been done in a twenty-year campaign by ourselves. We have been cultivating thrift, we

have been building up frugality and savings, the serving of all the interests of the State, and the protection of the public interests.

There are groups, in this State and throughout the nation today, of alien spirits, whose propaganda is diametrically opposed to ours, whose every thought and every effort during the whole year through their organization, their state organization, their county, their unit organization is directed to breaking down and nullifying this work which we have done at great cost of time and money to ourselves and our institutions, and which has been of great value to the communities which we serve.

Gentlemen, they are organized; we are not. We saw it last year. It culminated in the legislative period when they clamored around our State Capitol with fallacies and fancies and fraudulent proposals. They suggested the so-called cooperative banks, in no sense cooperative, thrown wide open and divested of that supervision which the best judgment and the seasoned experience of our fraternity in this State has provided through our governmental machinery. We have submitted ourselves through these years to a restriction often irksome; we have submitted ourselves to that irksome restriction, that surveillance and that supervision, in order that we could keep, each one of us, in the straight financial road and square-toed, confronting our day's work with an honest purpose.

Gentlemen, they are organized to break all of that down. What have we in the way of organization with which to oppose this propaganda of theirs? As your Committee on County Organization, we feel that there is afforded in those recommendations a means of meeting their block plan, their localized plan of expression, by one of your own, so that at the call of your Secretary questions and problems of current interest, of vital interest to all of us, may be carried down to the County Association, and sitting around the table, neighbors and competitors, in an orderly way, may discuss freely those questions and carry back to your Association the crystallized opinion, well thought out, well considered, so that the best views can be secured and final opinion obtained.

Gentlemen, that is the negative side of the question. There are many things we can affirmatively do through these

groups. The farmers are organized into their units. Their group is organized through the Farm Bureau. What have we in the county to offer them by way of cooperation from our group? Other social and commercial units are organized into groups, into units with which we may well and profitably and constructively cooperate. The County Association affords that means of expression.

Gentlemen, there is also prevalent throughout the State today a difference which we must meet. We cannot meet it here in so large an assembly as this one. We might discuss it, but we could not get down to the ways and means of it, and this is the matter of the credit statement.

I think it is well enough to take a moment or two right here to put into expression what I think has been your experience in the past few months, the improper and careless credit basis on which we are all doing business, with some of the groups in the State. There are men who do not know what they owe, have no idea of what they owe, of how they owe it; have no sense of how they should finance their business, no record of their transactions, keep no record of the maturity of their obligations; are absolutely unconscious of the equity that they have in their business. So we have got to get down to the business of a credit statement as a foundation for every loan, from I don't care whom, whether high or low.

Can we do it unless we cooperate? I fear, perhaps, that a competitor or neighbor of mine is going to make a loan to a certain prominent individual, whose institution has never made a statement. Should I not have support in demanding this statement of him? And how better can these things be arrived at than around a table with fifteen or twenty or even as few as five neighboring bankers who ought to be friends and who ought to have a measure of mutual confidence in each other to decide these questions? They are local questions, and the County Association can decide them.

Another thing, and it is the basic thing, without which we cannot hope for anything in the way of making our line of work a profession, which it ought to be, and that is this very thing I refer to of mutual confidence. The loss of confidence or the lack of it leads to the most improper competition in getting business, the bidding up on public funds to four, five and

six per cent, the running up of interest rates on time money, simply compelling the entire community to raise rates without any rhyme or reason.

Gentlemen, your Committee believes that many of these things can be attacked and attacked thoroughly and intelligently through those means. We feel there ought to be a County organization in every county in this State. On the twenty-eighth of this month there is to be held a session of the Fillmore County Bankers Association. I have attended two of their meetings in which they in their discussion came down to brass nails of every day work, exchange of views, discussion of methods in that community, discussion of its needs, and so forth. I am not going to miss a meeting if I can help it, and I wish there would be more of them. There ought to be a session like that at least once a week in each county in the State of Minnesota. Gentlemen, I urge my motion.

Mr. C. L. HANSON: I second the motion.

President O. M. NELSON: The motion is on the adoption of the report of the County Organization Committee. All in favor of the motion signify by saying aye, opposed, no. The ayes have it.

Mr. C. A. CHAPMAN: Having taken that action, I bespeak for the new committee, whoever they may be, the assistance of all of us in carrying out this resolution. I am hoping that we will do what we have resolved to do.

President O. M. NELSON: A most splendid suggestion. Each of you make it your own business to assist in working out the problems that may come before this Committee. Mr. Chapman's talk was exactly what we all wanted to hear; we appreciated it very much.

We have a report now from the Educational Committee, Mr. J. C. Thomson of the Northwestern National Bank of Minneapolis, chairman of that Committee.

Mr. J. C. THOMSON: Ladies and Gentlemen: The Educational Committee of your Association has had two functions this year. One of them has been the matter of the educational work that is done now by your State Association through the Minnesota Chapter of the American Institute of Banking; the other one has been the cooperation, as far as possible, with

the Committee of Education of the American Bankers Association. I believe that the latter phase of our work is one of the main things to be presented to your Association.

I want to tell you first that this Minnesota Chapter of the American Institute of Banking is in shape now to do increasingly valuable work for your Association. There is a demand all over the country, particularly in the cities, and more and more in the towns outside of the cities, for this educational work that the Institute is fostering. The Institute has grown this last year by some 12,000 members, which is an indication of the demand that is coming.

Your State Chapter is officered by a group of fine officers from the banks of the State. It has a course of instruction. This course is given in cooperation with the University of Minnesota, and the plan is that when a man enrolls in that course he is entitled to receive his examination and his follow-up work in the University of Minnesota, and the members of the Executive Council are furnished with reports from time to time of the work the students do. In this way this correspondence work will be carried to the bankers of Minnesota in their own institution.

The work this year has been very largely done by Mr. Richards, the Secretary, and the credit for the work belongs to Mr. Richards. We are to have a convention of the organization on July 18, 1921, on one of the days of the convention of the American Institute of Banking, so that the bankers who attend will have a chance to go to both meetings. They will be glad to see you all there.

Mr. Richards has thought that the work of the State Chapter is really more than can be done in the office of the State Secretary; so our Educational Committee the other day agreed that if we could find a man to become a permanent secretary of that organization we could pay him a small amount of money, and it would be a good thing. We have such a man in mind, and we hope to elect a secretary of that association at the convention in July. I am sure you will find that, instead of one hundred members in the Minnesota Chapter, of whom seventy are enrolled, our membership will represent three or four hundred men, of whom several hundred will be enrolled.

In regard to the Committee on Education of the American Bankers Association, it has a State Committee here. Your Committee was asked to consider the program that has been laid out and which has been passed upon by the Executive Council of the American Bankers Association at Pinehurst in April.

That program is this: They propose that, because the banker is in a position to tell the people of the advantages of his own business and because he is familiar with the business conditions in his community, he can be of great help to the community and to himself by getting out among the people and giving them information as to the banking business. He can take the mystery out of the business. He can correct a lot of misinformation, that goes out to the people from various sources, in regard to banks. They can prevent wrong legislation and thereby affect politics.

Their plan is simply this, that in the 100,000 schools of this country, in which there are approximately 2,500,000 students in the upper grades, a representative of some bank in each community in the United States will go and give a talk once in each month, ten talks in all, starting September 1st. These talks are outlined in a general way in the program that has been drawn up by the American Institute officers, with the approval of the American Bankers Association. They ask that each member of the Association take hold and do what he can.

There are chapters in some 83 cities. In this State we have chapters in Minneapolis, St. Paul, Duluth and Winona. The plan is for the members to go into the schools and tell them the use that they can make of the banks. Tell them that the bank is more than simply an instrument for loaning, that it is not a member of Wall Street, and things of that sort. There are many people who do not know what a bank really is, and this will be an opportunity to give them the correct information.

As a first step in that direction, they ask you today to approve the resolution along that line which is to be presented by the Committee on Resolutions. The chairman will tell you how it works out, and I hope it will be adopted, and not only adopted as a matter of routine, but that you will get behind this enthusiastically, after the Association endorses this project.

It will be necessary to secure the cooperation of the Commissioner of Education of the State. It is through him that we will reach the various school authorities in Minnesota, and it is through them that the bankers of the State will be requested to come to the schools and give these talks. We know this has been done elsewhere, and we feel it can be done in every section. I can assure you that the Minneapolis, St. Paul, Duluth and Winona Chapters will furnish you men competent to speak on these subjects.

Ladies and gentlemen, there is an opportunity to do some constructive work that will help you to get out of this political situation we have here and correct the misinformation that has been spread around about your business or our business. I do not care whether you look at it from an altruistic standpoint or in a selfish way. This Committee comes to you feeling that this is constructive work in the best sense, and we ask you to endorse this resolution that is to be offered and to get behind this proposition.

President O. M. Nelson: I am sure that we all received a great deal of food for thought from the remarks of Mr. Thomson.

Report of the
Committee on Legislation
Minnesota Bankers Association
1921 SESSION
Minnesota Legislature

Mr. Otto M. Nelson, President,
Minnesota Bankers Association,
St. Paul, Minnesota.

Dear Sir:—

We take pleasure in submitting herewith the

Report of the
COMMITTEE ON LEGISLATION
1921 Session
MINNESOTA LEGISLATURE

Respectfully submitted,

F. P. FELLOWS, Chairman.

D. D. DEVINE.

W. F. McLANE.

REPORT OF THE COMMITTEE ON LEGISLATION
1921 SESSION
MINNESOTA LEGISLATURE

The following measures opposed by the Association failed of passage:

Guaranty of Deposits

No guaranty of deposits law was enacted. Three bills were introduced in the Senate and four in the House, in addition to which there was a bill drafted and recommended by the House Committee. Two guaranty bills were passed by the House, one being the bill prepared and recommended by the House Committee (H. F. 937) providing for a voluntary system and the other known as the Welch bill (H. F. 52) providing for a compulsory system. The Senate adopted the report of the Committee on Banking to indefinitely postpone the Welch bill (H. F. 52) by a vote of 44 to 16. The report of the Senate Committee recommending indefinite postponement on S. F. No. 93 (Nolan), S. F. No. 92 (Rask) and H. F. No. 937 (House Committee bill), all voluntary measures, was laid on the table where the bills remained at the close of the session.

Co-operative Bank Bill

The bill introduced by Colonel Wilkinson (H. F. 475) providing for the establishment of co-operative banks, was reported by the House Committee with the recommendation that it be returned to the author. Upon motion of Colonel Wilkinson it was placed on general orders but an attempt by him to have it put on special orders was defeated by a vote of 62 to 43. The bill got no further.

Under the guise of establishing banks on the co-operative plan this bill contained provisions which would have seriously weakened our banking system. A few of the objectionable features were: the establishment of the banks was not under the jurisdiction of the State Securities Commission; there was no limitation on the holding of real estate; there were no minimum requirements as to capitalization; the stock of the banks could be paid for in cash "or its equivalent," and the banks could make loans on the security of their own stock; promotion fees could be paid for the organization of banks.

Occupational Tax

The McPartlin bill (H. F. 1031) provided for an occupational tax of 5% on "persons engaged under the laws of this state in the business of banking, and persons engaged in the business of loaning money on mortgages or other collateral, or in the buying or selling of stocks, bonds or other securities." The House Committee on Taxes and Tax Laws reported the bill back with a recommendation for indefinite postponement which was adopted by a vote of 88 to 33.

Proposed Bills to Restrict "the Practice of Law"

The several proposed bills which were discussed at the last annual meeting of the Minnesota Bar Association the purpose of which was to place restrictions upon the services performed by banks and trust companies, were not introduced in either the House or Senate. Copies of the bills considered by the Bar Association were sent to you early in the session.

H. F. No. 700 relating to unclaimed deposits in banks and trust companies.

The following measures favored by the Association were enacted:

Change in method of Taxing State Banks and Trust Companies

The enactment of H. F. No. 498 is of material interest to state banks and trust companies. Under the old law the personal property taxes paid by a bank were levied not upon the bank itself but on the shares of stock in the hands of the stockholders and such taxes, therefore, could not be deducted by the bank in figuring income and excess profit taxes. Under the law as passed the tax is levied upon "the moneyed capital of every bank or mortgage loan company" and under the rulings of the Internal Revenue Department, such taxes may be deducted by the bank in making its return. The law does not change the method of taxing the stock of a national bank.

Limitation on the Ownership of Real Estate

S. F. No. 650 which became a law, restricts the holding of real estate by a bank. The law reads as follows:

Section 1. That section 6360, General Statutes of Minnesota, 1913, as amended by chapter 85, Session Laws of Min-

nesota, 1919, be and the same hereby is amended so as to read as follows:

Such bank may purchase, hold and convey real estate for the following purposes:

1. Such as shall be necessary for the convenient transaction of its business, including with its banking office other apartments to rent as a source of income, which investment shall not exceed forty per centum of its paid in capital stock and permanent surplus.

2. Such as is acquired through foreclosure of any mortgage given to it in good faith by way of security for loans made or money due to such bank.

3. Such as is conveyed to it in satisfaction of debts previously contracted in good faith in the course of its dealings.

4. Such as it acquires by sale on execution or judgment of any court in its favor.

It shall not purchase, hold or convey real estate in any other case or for any other purpose whatever. No real estate acquired in the cases contemplated in the second, third and fourth subsections above shall be held for a longer period than five years, unless such time has been extended by certificate of the superintendent of banks duly filed for record with the register of deeds of each proper county.

Section 2. This act shall take effect and be in force from and after its passage."

Vice Presidents of Financial Institutions

Senate File No. 363, which became a law, provides that where the articles of incorporation of a financial institution provide for the election of more than one vice-president only one of the vice-presidents need be a member of the board of directors or other governing body.

Attention is called to the change in the personnel of the State Securities Commission to three commissioners whose entire time is to be devoted to the work of the Commission. Heretofore the Commission was composed of heads of various departments whose time was principally occupied with the duties of their departments. While the Commission has in the past

functioned very efficiently, it is believed that more effective work can be done by the commission as reconstituted. Under the new law the Superintendent of Banks is a member ex-officio and entitled to a vote in all proceedings conducted before the Commission on applications for bank charters.

S. F. No. 641 permitting a national bank having a trust department to deposit authorized securities with the Superintendent of Banks as a guaranty fund for the performance of its duties in fiduciary capacities and relieving such bank from filing surety bonds.

Bills favored by the Association which failed of passage

Increased Capital Requirements

S. F. No. 390 and H. F. No. 1173 providing for an increase in the capital requirements of new banks organized. This bill proposed a minimum capital ranging from \$15,000 and a surplus of 20% in a municipality of less than one thousand population up to a capital of \$100,000 and a surplus of 20% in a municipality of over fifty thousand. This bill passed the House and was favorably reported by the Senate Committee.

Investment by Trust Companies in Stock

The purpose of H. F. N. 1112 and S. F. No. 760 was to limit the investment by a trust company in the capital stock of other corporations to an amount not exceeding in the aggregate 15% of its capital and surplus except in the case of the capital stock of a corporation owning the building in which the trust company has its principal office or place of business, in which case it might invest not to exceed 40% of its capital and surplus. The bill directed that all capital stock held in excess of such limitation be disposed of within two years unless an extension of time for one year was granted by the Superintendent of Banks.

While the Banking Department is of the opinion that the present law does not authorize trust companies to invest in the stocks of other corporations and has so ruled, this bill was introduced for the purpose of clarifying the law.

Trust Powers for State Banks

H. F. No. 246 and S. F. No. 184 proposed to confer upon

state banks having the same capital as is required of trust companies the right to perform trust functions. The bill passed the House by a vote of 92 to 12 but the Senate Committee recommended indefinite postponement.

Edge Act Corporations

H. F. No. 1015 permitting a bank or trust company having a capital of one hundred thousand dollars or more to invest 5% of its capital and surplus in the capital stock of Edge Act Corporations, was favorably reported by the House Committee.

S. F. No. 753 (H. F. No. 1047) amending the definition of authorized securities so as to include loans on leases of real estate for a term of fifty years or more, was favorably recommended by the Senate Committee.

H. F. No. 1014 adding certificates of indebtedness of cities of the fourth class to the list of securities which may be deposited with the State Treasurer as collateral security for state funds, was favorably reported by the House Committee.

A bill providing punishment for the making of derogatory statements concerning banks and a bill limiting the damages to which a bank could be subjected on account of nonpayment of a check through error failed of passage as they likewise did in several recent sessions of the legislature.

Attached hereto is a copy of the Analysis prepared by the Committee of the several Guaranty of Deposits Bills introduced and of the Guaranty Laws of North Dakota, South Dakota, Kansas and Washington.

An Analysis of the Guaranty of Deposits Bills

1921 Session of the Legislature (Introduced to and Including March 1st)

and Guaranty of Deposits Laws of

NORTH DAKOTA, SOUTH DAKOTA, KANSAS and WASHINGTON

BILLS INTRODUCED BY:

- (A) S. F. 93 Messrs. Nolan, Hopp, Benson and Gandrud.
 Bill drawn and recommended by the Senate interim committee appointed at the 1919 session.
 (B) H. F. 191 Messrs. Briggs, Gerling, Trowbridge, Wicker and Sweitzer.
 (C) H. F. 4 Mr. Wilkinson.
 (D) S. F. 92 Messrs. Rask, Hall, Hegnes, Wold, Blomgren and Baldwin.
 (E) H. F. 52 Messrs. Welch, Enstrom and Burdof.
 (F) S. F. 103 Messrs. Naplin and Lee.

NOTES

- (1) If 200 or more banks elect.
 (2) Banks of discount and deposit, savings banks and trust companies.
 (3) "Every bank engaged in the business of banking."
 (3A) "Every corporation, except national banks, whose in business, whole or in part, consists of the taking of deposits or buying and selling exchange declared to be a bank." "trust companies doing a general banking business and building and loan associations receiving savings deposits."
 (4) Banks and trust companies except mutual savings banks.
 (5) "Any incorporated state bank."
 (6) "Any state bank."
 (7) Bonds of United States, Minnesota and Minnesota municipalities, in which board of investment of state may invest.
 (8) Bonds of United States, Kansas and Kansas municipalities.
 (9) Bonds of United States, of any state, of Washington municipalities, and of municipalities in any state acceptable as security for postal savings deposits.
 (10) Savings and checking accounts, certificates of deposit running not to exceed one year (except for borrowed money), cashier's checks, certified checks and drafts except in payment of obligations not guaranteed.
 (11) Deposits which do not bear interest, time certificates of deposit running six months to a year drawing interest not exceeding 4% in hands of original depositor. Savings accounts drawing interest not exceeding 4% upon which bank has right to require sixty days' notice.
 (12) "Money subject to check and other forms of withdrawal not specifically secured."

[illegible]

	S. F. 93 Nolan H. F. 191 Briggs (B)	H. F. 4 (C)	S. F. 92 H. F. 648 Melbye	H. F. 52 (E)	S. F. 103 (F)	Dakota	Dakota	Kansas	Wash- ington
Superintendent of Bank supervises.....	X		X					X	
QUALIFICATIONS OF BANKS									
Examination before admission.....	X	X	X	X	X	X		X	
Bank must be liquidated if condition not approved.....		X		X	X	X			
Bank becomes member on organization upon deposit of percentage of capital to be credited on assessments.....		4%		4%	3%	2%	4%		
New bank required to sell stock at \$2.00 above par to be credited to guaranty fund.....						X			
Bank must be in business one year.....	X		X					X	
Bank must have unimpaired surplus equal to 10% of capital.....	X		X					X	
GUARANTY FUND									
Deposit of municipal bonds as collateral for payment of assessments—per \$100,000 or fraction of deposits—Bank cannot participate until bonds deposited.....			\$500					\$500	\$1,000
Less capital and surplus.....			X					X	
Bonds specified.....			(7)					(8)	(9)
Cash equal to $\frac{1}{2}\%$ of average daily deposits which must be deposited before bank can participate and fund kept at that figure by annual assessment.....									X
$\frac{1}{10}\%$ of average deposits, less capital and surplus, upon becoming member.....			X					X	

SEP 9 1921

THIRTY-SECOND ANNUAL CONVENTION

41

	S. F. 93 Nolan (A) H. F. 191 (B)	H. F. 4 Wilkins'n (C)	S. F. 92 Rask (D) H. F. 648	H. F. 52 Welch (E)	S. F. 103 Naplin (F)	North Dakota	South Dakota	Kansas	Wash- ington
$\frac{1}{10}\%$ each year.....			X			X		X	
Until fund approximately \$500,000.....								X	
Until fund equals 1% of deposits.....			X			X			
If fund becomes depleted additional $\frac{1}{10}\%$ assessments shall be levied until fund restored, not to exceed five in a year...			X					X	
Commission may levy additional $\frac{1}{10}\%$ assessments not to exceed four in year.						X			
If fund depleted below $\frac{1}{10}\%$ assessments of $\frac{1}{10}\%$ a year until fund restored to 1%...						X			
If cash on hand is more than 25% below requirements, assessments may be made by commission not to exceed $\frac{1}{10}\%$ in year									X
$\frac{1}{10}\%$ of average daily deposits until fund equals $1\frac{1}{10}\%$	X	X		X			X		
If fund falls below 1% additional assessments of $\frac{1}{10}\%$ a year may be levied until fund restored.....	X	X		X			X		
$\frac{1}{10}\%$ of average daily deposits each year until fund equal 1%.....					X				
If fund falls below $\frac{1}{10}\%$, additional assessment of $\frac{1}{10}\%$ may be levied each year until fund restored.....					X				
Fund retained by bank and carried as depositors' guaranty fund on its books, payable to superintendent on demand...	X	X		X	X	X	X		

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Deposits specifically secured not guarantee	X		X		X		X	X	X
No additional security for public funds....		X		X	X		X	X	
Provided such funds do not exceed bank's capital and surplus.....									
Bank cannot receive deposits in excess of times paid up capital and sur- plus and violation cancels right to partic- ipate and forfeits bonds deposited.....			15					10	
Capital must be increased if deposits ex- ceed 20 times capital and surplus or membership cancelled.....									
Amount of deposit guaranteed limited to \$5,000.....			X						
RATE OF INTEREST ON DEPOSITS									
Rate limited to.....		4%		4%	5%	5%	5%		
Except if authorized by commission.....		5%		4½%	5½%	6%	5½%		
Rate fixed by commission.....									X
Rate fixed by bank commissioner.....									
Rate uniform in any county.....		X		X	X	X	X	X	X
Bank cannot participate if paying greater rate than.....									
Deposit not guaranteed on which rate ex- ceeds.....	5%		4%						
If rate greater than 5% paid, bank must so state if it advertises deposits guaranteed	X		4%						

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If rate greater than 4% paid, advertise- ments must state such deposits not guaranteed.....			X					X	
No interest shall be paid on savings de- posits withdrawn before January first and July first or on certificates of de- posits paid before maturity.....			X					X	
Bank paying such interest deemed "reckless" and membership may be cancelled.....								X	
Violation of provisions relating to interest: A felony.....		X		X	X	X	X		
A gross misdemeanor.....			X						
Works forfeiture of bonds and member- ship.....								X	
PAYMENT OF CLAIMS—TWO METHODS									
1. Depositors paid in full out of fund up- on proof of claims.....		X		X	X	X	X		X
If fund not sufficient, negotiable certifi- cates issued to bank payable out of next payment to fund drawing interest at...		4%		4%	4%	5%	5%		
Warrant on fund issued to depositor drawing 5% until called.....									X
2. Certificates issued for claims, drawing interest at 6%, unless other contract rate.....	X		X					X	
Negotiable.....	X								

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Dividends endorsed on same when paid	X		X					X	
Deficit, if any, paid out of guaranty fund after assets realized upon and double liability of stockholders exhausted.....	X		X					X	
Fund drawn from banks pro rata.	X								
MISCELLANEOUS PROVISIONS									
Bank withdrawing entitled to amount to its credit in fund less its share of claims	X								X
Bank going out of business or nationalizing entitled to amount to its credit in fund less its share of claims.....	X	X		X	X	X	X		X
Bank going out of business entitled to re- turn of bonds but not unused assess- ments.....			X					X	
Guaranty fund subrogated to rights of depositors.....		X	X	X	X	X	X	X	X
Membership may be cancelled by superin- tendent upon failure to comply with law and fund forfeited.....	X								X
Bonds only forfeited.....			X						
Making false statements of deposits a felony.....		X		X	X	X	X		
Where no other punishment provided, vio- lation a misdemeanor.....	X				X	X	X		
National banks may enter if authorized..		X	X	X	X	X	X	X	X

Mr. John S. Drum, the President of the American Bankers Association, was to have been our next speaker. A day or two ago we received this telegram from Mr. Drum:

"G. H. Richards, Secretary Minnesota Bankers Association, Minneapolis, Minn.

"President Harding has called conference of bankers for Thursday evening, June twenty-third at White House and has invited me to be present as President American Bankers Association. Under circumstances much as I regret this makes it impossible for me to attend the Minneapolis Convention of Minnesota Bankers Association on same date. It becomes of course my imperative duty to be in Washington."

Believing that he had a message which should be heard by the bankers of Minnesota, we have had his message forwarded to us, and I have asked Mr. W. F. McLane, of the Hennepin County Savings Bank of this city, who is the chairman of the General Committee, to read Mr. Drum's address.

Mr. W. F. McLANE: Mr. President, Ladies and Gentlemen: I know you are all very much disappointed just now but in your disappointment think, if you can, what this means to me. Thanks to the President of the United States I am able to appear on the platform of the Minnesota Bankers Association for the first time and, as if that were not honor enough, I am here to represent the President of the American Bankers Association.

Seriously speaking, I believe this paper has something in it that is worth while. Mr. Drum is a big banker. He lives in San Francisco and is well acquainted with conditions on the coast, and he has traveled extensively all through the country. He knows whereof he speaks. It is as a man informed and as a thinker and observer, I am sure, that he has prepared this paper for your consideration this morning. It is not long, it will take only a few minutes, but it strikes me as being right to the point.

Minnesota With Relation To General Conditions and World Trade

By JOHN S. DRUM, San Francisco,
President American Bankers Association.

Out of the war, which transformed the United States into the great creditor nation of the world at the same time that it destroyed and wasted the accumulated wealth and the productive power of other great nations, have come two great problems the solution of which is necessary for the eventual and permanent prosperity of our people.

One problem, the natural and inevitable consequence of every great war, is this: How are the costs of production and distribution on the one hand and selling prices on the other to be harmonized on a normal and stable basis, so that the farmer with his bushel of wheat and the miner with his ton of ore can buy full value in houses or clothes or dollars and cents?

The other problem is this: How is our excess production to be absorbed in the markets of the world, so that our farms and mines and forests and factories may be employed at the high rate of productive activity they attained during the war and in the months following the armistice, so that there may be work for all of us and so that the development of the United States shall not suffer a set-back and depression?

These are our two great problems, and just as they affect every other state in the Union they affect Minnesota with its great farms and mines and forests, with its smelters and its lumber mills and flour mills. Minnesota, like every other state, is concerned with the problem of the costs of production. And because yours is a highly developed state, you are concerned perhaps even more than some others with the problem of disposing of your excess production of wheat and flour and live-stock and iron.

Seven years ago, when Europe went to war, the nations of Europe, always the best customers of the United States, called upon us to produce and sell to them more and ever more raw materials and manufactured goods and foodstuffs of all

kinds. And American industry and mining and agriculture and lumbering responded; we did produce greater and greater quantities of commodities of all kinds.

The cost of production didn't enter into the situation at all. We knew that Europe needed and would buy and pay for everything we could produce, regardless of what it cost to produce and regardless of the prices we asked. Our resources were developed to a point never before reached. Everything was on a rising market, labor, agricultural products, minerals, lumber, manufactured goods of all kinds—everything that we produce and everything that went into production.

America had no foreign competitors; they were virtually eliminated. America had virtually a monopoly on the supply, while the rest of the world—nations in eager competition with one another to buy our goods—furnished the unlimited demand for our products. Under these conditions, everyone reasoned, what difference did the cost of production make?

In modern times the United States has always produced and exported more than she imported. But before the war the balance—the equilibrium—was maintained by the so-called invisible items of settlement that represented payments to our best customers, the older nations of Europe, and which they used to adjust the difference in value between the goods we sold to them and the goods they sold to us.

Among these invisible items were, first, the money that we paid in the shape of freight to the foreign vessels that carried our goods to markets, and the money we paid to foreign companies for insuring our shipments; second, the millions of dollars that immigrants in the United States sent yearly to their home countries; third, the millions of dollars that American travelers spent annually in Europe, and fourth, and most important of all, the millions upon millions that we paid to European investors in the shape of interest on the American securities which they purchased during the years of America's development.

During the early years of the war Europe maintained her ability to pay for our goods by selling back to us the very securities, representing billions of dollars, which European investors had purchased in the generations preceeding the war. And by the time this method of payment was virtually exhausted the

United States had entered the war and lent additional billions of dollars to the various allied countries, the purchasers of our huge output of raw materials and manufactured goods and foodstuffs.

Our own money, borrowed from our Government by European Governments and by them lent to their citizens, formed to a large extent the means by which American goods were paid for. And still American production continued at a high rate, and still the cost of production didn't enter into it.

This condition continued for many months after the armistice. Europe still had the means to pay for our goods, and we went on producing them. When Europe no longer could pay out of the money she had borrowed from us, and when the United States loans to European governments were discontinued, the huge volume of exports was maintained by the acts of our manufacturers and exporters, who sold goods to our foreign customers on short-time credits.

At length, in the fall of 1920, the limit of these short-time credits was reached. They had become in the main, "frozen credits" in the banks of the United States:—our exporters and manufacturers and our banks were unable to provide additional credits, and European purchasing power, so long maintained by the methods I have enumerated, suffered great and sudden impairment.

And then we realized for the first time that the cost of production was a factor that had to be considered. We realized that, however great was the need for our goods we could not, in the fact of Europe's greatly reduced purchasing power, expect to pass on to our customers indefinitely the rising costs of production.

What happened? The farmer, whose crops had been planted and cultivated during the period of high costs of labor and materials of every kind, found when those crops matured that he was no longer able to pass on the costs, that he could not sell at a price sufficient to make a profit, nor even to repay the costs of production. He found, indeed, that the impaired purchasing power of Europe had so reacted upon conditions at home that to a large extent he could not sell his crops at all.

We all know what the results were. The farmer, if he

could not sell his crops, could not repay the money he had borrowed from the bank. Great amounts of capital were thus tied up, and the country banker had to ask his city correspondent or the Federal Reserve Bank for credit extension beyond the usual. The city banker was in the same position.

Further than this, the farmer's inability to sell his crops meant that he had no money with which to buy the manufactured goods which he customarily used, and which, like his crops, had been fabricated during a period of high costs of production.

And if our manufacturers could not sell the goods they produced, they had of course to reduce their output, and in many cases to shut down their plants altogether. Hundreds of thousands of men were thrown out of employment, and thus domestic purchasing power suffered a further reduction.

The simple truth was that we had reached the point at which it was no longer possible to pass on the rising costs of production to the consumer, either at home or abroad.

But now we have come to a realization of the problem of the costs of production, and it is being worked out. There can be no doubt that liquidation in the United States has proceeded to a point at which all elements in our economic life must fall in line. Neither money nor transportation costs nor materials nor labor can effectively nor permanently avoid the irresistible forces that are working toward readjustment on a lower level.

Farmers are producing their crops this year at a cost far below that of 1920. Copper, corn, iron, cotton and to a lesser extent wheat, have suffered sharp price declines, declines too great, perhaps, in comparison with the slower reduction in the cost of production, and therefore of the selling price of many other articles.

Our farmers and miners have borne the brunt of the first stage of this very necessary deflation, but while the farmer's bushel of wheat and the miner's ton of copper do not represent normal purchasing power, in the terms, let us say, of shoes or clothing or other manufactured goods, we must bear in mind just this:

Our whole economic life has been thrown out of alignment by the war and the period of inflated costs of production that continued after it. Every element was thrown out of line,

some to a greater degree and some to a lesser degree. It is but natural that not all elements should respond in the same degree and with the same rapidity to the forces working toward readjustment, but it is inevitable that ultimately the normal relative position of all these elements will be restored, and we shall have what we call stability.

There is, indeed, no room for pessimism. We may be confident that the problems of the costs of production, of transportation, of readjustment of costs and selling prices upon a normal basis, will work themselves out in time and are, indeed, working themselves out now, by the operation of inexorable economic forces that will function whether we help or not, and even if we try to hinder.

But the problem of our excess production—the problem of finding and maintaining markets for our surplus goods—requires more than time for its solution. It requires the united, intelligent action of the people of the United States, and particularly of us, the Bankers of the United States. Deflation readjustment of production costs are progressing as rapidly and with as little loss and disorder as might reasonably be expected, but the problem of excess production remains and awaits our affirmative, constructive action.

Just what is our situation today?

The development of American industry and agriculture and mining and forestry has created a condition that makes the disposition of our excess production of raw materials, manufactured goods and foodstuffs in foreign markets a matter of vital importance to our prosperity at home.

During the war and in the months following the armistice our farms and mines and industries—all the elements in our economic structure, in fact, as I have pointed out—were speeded to a high rate of productive activity, for the world needed everything we could produce and had the means to pay for it.

Our export trade reached huge proportions, and continued so until last fall. Then, although the world need for American products continued, the ability to pay for our goods no longer existed. And what have we now?

We have on the one hand our best customers, the Nations of Europe crying for our goods but unable to buy them because their purchasing power has been so greatly impaired by the destruction and waste of wealth in war and by the creation of huge national debts.

We have on the other hand the United States, her economic structure developed to a high degree of productive activity, possessed of the goods and raw materials and foodstuffs that foreign countries need but are unable to buy, and transformed by war from a debtor nation to the great creditor nation of the world.

This very growth of the financial strength of the United States—this very transformation that has made of us the pre-eminent creditor nation of the world—has placed us in a position in which we must, in our own selfish interests, bridge the gap between American production and world consumption by creating the financial machinery that is necessary to enable the markets of the world to consume our surplus products.

This is more than an obligation; the conditions of the time give us an opportunity such as no other nation possesses—the opportunity to create in foreign countries virtually under whatever conditions we ourselves may desire to establish, lasting markets for all the goods and raw materials the United States can produce.

The disposition of our excess production is vital to the prosperity of our people. It has been pointed out and it is a fact—that our surplus products represent only from five to ten per cent of our total production. But it cannot be argued from that fact that our excess production is a negligible quantity, and the suggestion that the problem might be solved by adjusting our economic structure so that we produced no more than enough to suffice for our needs is an unthinkable proposition.

Let us consider what that five or ten per cent of our total production means. It means billions of dollars. It means fifty per cent of the cotton raised in the southern states; the whole south depends for its prosperity on the sale of that surplus fifty per cent. It means one-third of the copper produced in our western mining states. It means twenty per cent of the millions of bushels of wheat raised in your own Minnesota.

Further, if the south cannot sell its cotton it cannot buy Minnesota's wheat; and if Minnesota cannot sell its wheat it cannot buy the many other articles it needs and gets from other states.

There are no state boundaries in this problem. It is a question that concerns every state in the Union, and every community in every state. It is elemental that no man prospers unless he produces more than he consumes and is able to dispose of the surplus, and that is true also of nations. We could cut down our production to suit our own needs, but we could not prosper at the same time. We could not keep our farms nor our factories nor our men fully employed. We could not maintain that high standard of living that is America's boast.

But how are foreign markets for our goods going to be restored and maintained? The answer lies in the experiences of other nations, in the experiences of England and Belgium and Holland and France and the other great trading nations of the old world.

The development of civilization through the centuries has been coincident with the development of Europe's foreign trade. European explorers sought new lands. European merchantmen followed them, laden with goods to be bartered for the goods of the far places. Then came traders and colonists tilling the fields, working the mines, creating new wealth, selling goods to Europe and buying goods from Europe, until the financial and commercial representation of those great trading nations extended to every corner of the world.

The countries of Europe took, in exchange for their exports, all the goods and all the gold and all the raw materials those developing nations could offer. And when the limit of the ability of those customers to pay for European goods in gold or in kind was reached, the trading nations of the old world, far from slackening their efforts to maintain and increase their foreign trade, found other means whereby settlements for their exported products could be made.

The potential world markets for European goods had only one thing left with which to make settlement—securities in the productive enterprises of the developing countries. And Europe took those securities. The nations of Europe invested in the enterprises of the newer countries, increasing the produc-

tive capacity of those countries, increasing their ability to buy European goods, and maintaining the world markets that absorbed the excess production of the older trading nations.

Now the United States is in the same position. We have developed our natural resources and our industrial structure to a point at which we produce far greater quantities of raw materials and manufactured goods than we can consume. And at the same time we have become the great creditor nation of the world, possessing almost half of the world's supply of gold, and the countries that were and should be our best customers have no longer the ability to pay for our goods either in gold or in kind.

All they have left to offer us in exchange for our products is securities in their productive enterprises. And we must invest in those securities. We must realize that the absorption of our excess production in foreign markets is essential to our prosperity at home. We must recognize that the world's capacity for consuming American products depends upon the world's productive ability, its power to create wealth with which to pay for the raw materials and the manufactured goods it needs.

We must recognize, further, that America, the great creditor nation of the world, the reservoir of the world's gold and credit, must invest in those foreign countries so as to help to create in them that productive ability without which they cannot absorb all the goods we can produce.

The Congress of the United States has recognized the vital necessity for American investment in the enterprises of foreign countries. It has realized, at the same time, that American investors commonly are not accustomed to purchasing foreign securities, and that few individual Americans have the knowledge or the means of obtaining the knowledge necessary to a wise and safe selection of these foreign securities.

Congress, therefore, has enacted the Edge Act, an amendment to the Federal Reserve Law, which authorizes the creation of great foreign investment corporations which, by reason of their size and their national scope, can attract to themselves the efficient management and operating personnel that will be able to make adequate investigations and select for American

investment only the safest and best of foreign securities.

Against these foreign securities Edge Act corporations, as you know, are authorized to issue their own debentures for sale to American investors. And back of these debentures would be the soundest kind of security.

The debentures would be secured, first, by the capital stock of the Edge Act corporation, and, finally, there would be the ad-beyond its investment in foreign securities. These high-class foreign securities, carefully selected and diversified, of course would provide additional security for American investors.

These debentures would be further secured by the exercise of Federal Reserve Board supervision over the operations of the Edge Act corporation, and, finally, there would be the additional security afforded by the ability and the integrity of the men of outstanding qualifications that the corporation, by virtue of its very size and scope, would attract to its management.

These men would see to it that the tests of political, social and economic stability were applied to nations whose enterprises sought American financing. They would see to it that no American money was invested in foreign enterprises in nations in which political, social and economic conditions made investment unsafe. And so their corporation would discharge our selfish obligation to invest in foreign securities in a manner far better and far safer than the investors of the country, as individuals, could ever discharge it.

This, gentlemen, is the solution of the problem of our excess production that is offered to us.

And in closing I would say just this: As the problem is a national problem, affecting not a few states and a few communities, but every state and every community, so should participation in the solution—in any attempt that is made along national lines to solve the problem—be an unselfish obligation of the producers and investors of every state and every community in the Union.

By investing in foreign countries we may help them to replace the wealth destroyed in war and to reduce their great debts, but at the same time we shall be helping ourselves even more by restoring their ability to buy our goods and our own

ability to dispose of our excess production.

President O. M. NELSON: Gentlemen, we wish to thank Mr. McLane for the very fine way in which the speech was read, and of course it was a real message to all of us. Now, I would like to have you hear, before you leave the room, the report of the chairman of the Resolutions Committee, Mr. Will Wilke. We may be a few minutes late in retiring this noon, and we can convene a few minutes later this afternoon. This, gentlemen, is of so much importance that I would like to ask as many of you as possibly can to remain a few minutes to hear Mr. Wilke on these resolutions.

Mr. WILL WILKE: Mr. President, Gentlemen of the Convention: Now, please don't leave the room. I think the subject coming under discussion now is one of importance to this Association. If the President will let me ask to have the rules suspended and the natural order of presenting resolutions, I would like to talk to you briefly on a matter I have in mind. What I am going to speak of I find is related back to a man whom I met many years ago, and whom I have known for a very long time. I met the man about eighteen years ago. He was considerably older than I was and, being presented to him by one of the justices of the State Supreme Court, I noticed upon offering my hand to shake with the man that his hand made no response. I noticed this morning when we were singing that song, *America*, that I did not hear his voice. I have not noticed this morning in the assembly in going from face to face that sparkle, that attractiveness, that flowing of energy.

We know that we are missing him today, and out over the broad state they have missed him for a number of days, and they will miss him many days to come. Out over all of the states of the United States today there are men who are missing that man I am missing and that you are missing. Beyond the boundaries of our country they are missing that name, they are missing that cheer, they are missing that word that has made many men happy.

It was not so very long ago, less than a year, that I was at the crossing below the Athletic Club, and I was in a hurry to cross the street. There was a taxicab in my way, and I said to the driver, "Won't you please get out of my way, I am in a hurry." The driver turned away from me, and I heard him say, "Mr. Dowling, I am waiting for you." And at that Mike

hobbled and hobbled and went by, and when I saw who it was I realized that back of this taxi there were a dozen other taxis waiting—Michael Dowling was passing.

Michael Dowling has passed away from us, and we will miss him at these conventions. Out of a desire to honor this man there has sprung a widespread sentiment to create a memorial to him who served so signally in the upbuilding of American citizenship. I want to offer to you today, outside of our usual procedure, a resolution in support of collecting a fund which is to be used as part of the cost of a memorial which will be named for Michael J. Dowling.

I realize, gentlemen to some extent, that this is not a year for giving, it is not a year when forced giving is necessary, but I believe that while the memory of this man is green, while it is fresh, that this is in all sincerity the time that we should give. I should like to read the resolution to you.

“Whereas, Michael J. Dowling is absent from this Convention and his absence accounted for, we are mindful of his service with many committees of this and other associations, that he was honored and served as your President and while among you played the part of a true American, faithful and fair, honest in every purpose; that he was one of Minnesota’s greatest statesmen, a distinguished citizen of our Nation, internationally known and respected. He was the friend of every acquaintance, and the enemy of none. Handicapped, but always longing for a chance to overcome the hardships of an eventful life, he has left a memory to be cherished by generations that may come. That the memory of this ‘servant to others’ may not pass unheeded, it is

Resolved, That all members of this Association join in the movement creating a Memorial to Michael J. Dowling, and that the President of this Association, with the approval of the Executive Council, be hereby empowered and directed to appoint a committee of three or more members, who shall arrange for the solicitation and collection of a sum of twenty-five thousand dollars to be a part of a fund created for the purposes contemplated.”

In explanation of this I will say that it is the purpose that a sum of money, approximately one hundred thousand dollars, be raised within the State of Minnesota for a memorial. That

memorial will not be in the form of a statue or some useless thing, but it will be something that will do good to humanity. It will probably be something in the nature of a hospital for crippled children in whom Mr. Dowling was always interested.

I might say that in raising that fund I hope this Association can underwrite some portion of it. Say that we take upon ourselves the soliciting and obtaining within a fixed period a sum to aggregate perhaps twenty-five thousand dollars, and in conjunction with other bodies and organizations that are interested, it will not be a difficult matter to obtain the full amount.

Mr. President, may I have a second from Mr. Hanson as to the adoption of this resolution?

Mr. C. L. HANSON: I wish to second the motion.

President O. M. NELSON: If there is no objection the rules will be suspended so far as this resolution is concerned. I will hold that the resolution is properly before this Convention. The question is upon the adoption of the resolution. All those in favor signify by saying aye, opposed, no. The resolution is adopted.

Mr. WILL WILKE: The resolutions which follow are those which were submitted to the Executive Council and which naturally in the order of business should be read today and, if acceptable, adopted by the Convention at tomorrow's session.

(A number of resolutions were then read, which will appear in the proper place in these proceedings when they were again presented to the Convention for discussion and action.)

President O. M. NELSON: I guess all of us have an idea of what kind of a Resolutions Committee we have had the past year, and we are all indebted to our Chairman. We will now adjourn and meet here at two o'clock this afternoon.

Report of Council of Administration

To the Members of the Minnesota Bankers Association:

Your Council of Administration hereby submit the following report:

A meeting of the Council was held at the Spalding Hotel, Duluth, immediately following the adjournment of the convention on Thursday, July 8, 1920. The only business transacted at this meeting was the election of G. H. Richards to succeed himself as secretary.

A special meeting of the Council was held at the Association offices on Monday, November 29, 1920, for the purpose of appointing a legislative Committee to represent the Association in proposals for banking legislation which would come up during the 1921 session. Mr. F. P. Fellows of St. Paul, was appointed chairman of the committee together with Mr. D. D. Devine, of Albert Lea, and Mr. W. F. McLane, of Minneapolis.

At this meeting Senator L. H. Nord was heard relative to an appeal to the bankers to contribute to a fund for retiring the deficit incurred in carrying on a campaign for Amendment No. 1.

The Officers of the Association were directed to endorse the plan and to add the solicitation of the Association to that of the Highway Association. The dates for holding the 1921 convention were fixed as Thursday and Friday, June 23, and 24.

The Secretary was instructed to purchase and distribute to all member banks the November issue of the Banker Farmer containing the address of Secretary of Agriculture, Meredith, before the American Bankers Association.

The Midwinter meeting of the Council was held at the Minnesota Club, St. Paul, on Thursday, January 13, 1921.

The report of the committee appointed at the request of

the Secretary "to investigate charges which had been made that he had used his position to promote the sale of a burglar alarm in which he was financially interested" was made by its chairman, Mr. J. J. Ponsford and is as follows:

Mr. O. M. Nelson, President,
Minnesota Bankers Association,
Saint Paul, Minn.

Dear Sir:

Your Committee, appointed to investigate certain charges made by W. E. Jones, manager of the Cannon Ball Alarm Company against our Secretary, wish to submit the following report:

A hearing was had at Association Headquarters on August 10 last, at which the charges were heard and also the Secretary's answers to same.

The following conclusions were unanimously arrived at by your Committee:

The charge of the Secretary having a financial interest in an alarm system was in nowise sustained by facts.

We heartily approve of the Secretary's action and activities in the whole matter, believing that he was prompted solely by a desire to faithfully serve the members of the Association.

Inasmuch as the stand taken by Mr. Jones and his company was absolutely without foundation, the matter was dismissed by your Committee.

Respectfully submitted,

J. J. PONSFORD,
F. W. SHANDORF,
E. O. HAMMER.

The above report was unanimously accepted.

A verbal report was made by Mr. C. L. Hansen for the delegates appointed to attend the Great Lakes-St. Lawrence-Tidewater Association Congress at Detroit.

Other business of the meeting was the transaction of routine business connected with the affairs of the Association.

Respectfully submitted,

G. H. RICHARDS, Secretary.

Report of the Secretary

To the Officers and Members of the Minnesota Bankers Association:

It is the privilege of your Secretary to submit the following report for the year ending May 31, 1921.

MEMBERSHIP

On June 1, 1920 the total membership in the association was 1,443. During the year the following losses occurred:

CONSOLIDATIONS.

National Bank of Commerce, St. Paul, with Capital National Bank.

Citizens State Bank, Wood Lake, with State Bank of Wood Lake.

Truman State Bank, Truman, with Truman National Bank.

Central State Bank, St. Paul, with Metropolitan State Bank.

Farmers and Merchants State Bank, Lake Crystal, with American National Bank.

F. W. Dean & Co., St. Paul, with Bond & Goodwin.

LIQUIDATIONS.

Farmers National Bank. Mahnomen.

Manganese State Bank, Manganese. "Temporarily closed."

Closed by Superintendent of Banks.

First State Bank, Pequot.

Farmers State Bank, Chokio.

NON-PAYMENT OF DUES

Farmers State Bank, Tyler.

Calloway State Bank, Calloway.

Farmers State Bank, Round Lake.

State Bank of New Germany, Motordale.

A total loss of fourteen members for all causes.

During the year there was added to the membership list 32 new members, therefore the present membership is 1,461.

This membership consists of the following:

State Banks	1,095
National Banks	325
Savings Banks	7
Trust Companies	13
Investment Bankers	21

The standing of the various groups is as follows:

First District Group	159
Second District Group	229
Third District Group	150
Fourth District Group	38
Fifth District Group	46
Sixth District Group	161
Seventh District Group	218
Eighth District Group	77
Ninth District Group	233
Tenth District Group	150

Total	1,461
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No district group has, as yet, secured 100 per cent membership. There are, however, forty-seven counties in the state in which all banks are members.

INSURANCE

A very noticeable decrease in coverage on securities has taken place during the past year on account of the decreased holdings of Liberty Bonds. This is reflected in the reduced commission income to the Association and a further reduction will appear in this year's business, due to the fact that our agency contract has expired and will not be renewed upon the same terms which have been enjoyed during the past three years.

The Insurance Companies maintain that the losses sus-

SEP 9 1921

THIRTY-SECOND ANNUAL CONVENTION

63

tained during the past year or two have been abnormal especially in the central western states. It is also true that many losses have occurred of securities contained in fire proof vaults in safety deposit boxes which occasioned no loss to the insurance companies for they were not insured. Attention of the members has repeatedly been called to the risk assumed in allowing such equipment to be misused by handling it as if it were burglar proof protection.

PROTECTIVE

Fully the usual number of crimes against banks occurred during the past year. A resume of swindles, burglaries and hold-ups is as follows:

The total number of forgery or fraudulent check cases reported was forty-two. Of this number twenty-four were cases where the checks were passed on depositors and the banks met with no loss. Loss to depositors in these cases amounted \$1,737.95. In five of them we assisted in making settlements and recovering the money and in two others we caused arrests and convictions.

Eighteen cases were reported where member banks met with a loss and the total amount was \$752.09. In ten of these cases we apprehended the parties and secured settlements in the amount of \$573.09, and in four other cases we procured arrests and convictions.

BURGLARIES

Oct. 11.—State Bank of Baker.—Boxes opened but no loss, as there were no valuables in them.

Oct. 18.—State Bank of Tenney.—Boxes opened. Loss, \$2,400 cash, \$9,440 in bonds.

Oct. 27.—First National Bank, Forest Lake.—Boxes opened. Loss, \$650 in bonds.

Mar. 25.—Citizens State Bank, Glenville.—Boxes opened. Loss, \$91.27 in silver, \$1,500 in bonds.

Apr. 4.—Withrow State Bank.—Boxes opened. Loss \$2,000 in bonds.

HOLD-UPS

June 25.—Great Northern State Bank, St. Paul—Loss \$6,000 in cash. \$10,000 in bonds. About three weeks after—

ward these men were caught in the act of holding up a Wisconsin bank, and sentenced to thirty years in Waupun. Part of the Great Northern bonds were found on them.

Oct. 9.—Georgetown State Bank.—\$1,300 taken. One man job. Captured and all but \$308 recovered.

Dec. 3.—Farmers State Bank, Gatzke.—\$880 taken. Two men. Both captured and full amount recovered.

Jan. 24.—Citizens State Bank, Afton.—\$800 cash taken. One man job. Captured and full amount recovered.

Mar. 29.—City Bank, St. Paul.—Loss of \$18,000 in cash. \$30,000 in bonds. \$3,000 gold bars.

In addition to the above report attention is called to the administration of our laws relative to crimes against banks. It is no uncommon thing to have criminals discharged from custody if they make good the amount secured from negotiating fraudulent checks, in many instances if conviction is secured the punishment amounts to but very little and only serves to confirm the individual in criminal practices. It is indeed discouraging to know how much fraudulent work is being done by the use of bank checks and how little real results are being obtained in stopping these crimes. The same thing applies to first degree robbery. In several of our adjoining states more severe punishment is being advocated upon conviction of the crime of holding up a bank, on the theory that a person going into a bank armed and for the purpose of robbery will not hesitate to commit murder. Upon this same theory, the Minnesota Bankers Association asked the legislature at the 1919 special session to amend our statutes, making conviction for robbing a bank by violence, or threats of violence, punishable by life imprisonment. The amendment was passed and it was thought that the fear of this punishment would deter criminals from undertaking bank robbery. It, however, seems to have had no appreciable effect and in view of that which has transpired in some cases it is apparent that it will afford but little, if any, relief. In but very few cases have criminals convicted under the provisions of our statutes been sentenced to life imprisonment and in one case a man who was charged with robbery in the first degree for robbing the Citizens State Bank of Afton was permitted to go into court and plead guilty to robbery in the third degree and was given an

indeterminate sentence in prison. In place of protecting society by confining this man for life he will be eligible for parole about December next. In the written opinion of the Judge "he was not of the criminal class." All this is submitted in order that the officers and members may give serious consideration to the advisability of a continuance of our efforts in trying to be a factor in stopping crimes against banks. The question is, is it worth while for our association to offer rewards for capture and conviction of criminals if punishment is neither severe nor sure?

EDUCATIONAL

No opportunity is overlooked to provide to the members who wish it, such educational privileges as the Association can procure. The Minnesota State Council of the American Institute of Banking is the Correspondence School of the Institute and has been made available to all bank employees in member banks at greatly reduced enrollment fee. A successful Bankers' Short Course was organized for providing instruction on the Income and Excess Profits Tax Law and was conducted at the University in January. It is gratifying, in this connection, to state that the School of Business inaugurated at the University and advocated by the Association for so long a time has already become one of the most popular and important departments of study at our splendid state institution and very shortly it will be possible for our young men to leave the University with graduate degrees, fully equipped and technically trained to take their places in business life.

A comprehensive resume of all the activities of the Association would be quite impossible in the short space intended to be used by the annual report of the Secretary. It appears that the work incident to the office grows rapidly each year, all of which is very gratifying as it undoubtedly reflects the Association's increased usefulness to its members. Business of the insurance agency alone has grown to quite large proportions, handling of burglary insurance amounting to a total coverage of \$24,693,641.00 with 1,855 policies effective, together with fidelity insurance effective of 312 bonds with a coverage of \$3,586,000.00 require time and attention; in addition, the diverse duties devolving upon the Secretary require no small amount of time spent in representing the Association, the Secretaries' organization has its obligations to be dis-

charged; the duties devolving upon the secretary connected with the annual conventions are many, and in addition he tries to attend all Group meetings as well as all County meetings possible. In these circumstances the indulgence of the members is requested if at any time it appears that prompt attention has not been obtained.

This report would be incomplete without a paragraph acknowledging the fine spirit of willingness and faithfulness upon the part of my associates in the office. In an effort to give them due credit for their efficient services it is gratifying to state that their duties, requiring intelligent labor, have been performed in a highly satisfactory manner and with a willingness which makes our daily office association a real pleasure.

Respectfully submitted,

G. H. Richards, Secretary.

Statement of Income and Expenditure

For the year ending May 31, 1921.

Income:

Membership Dues, Less Refunds.....	\$16,852.50
Commission on Insurance.....	13,264.37
W. B. Joyce & Company—Protective Contract.....	600.00
Interest on Liberty Loan Bonds.....	440.00
Sale of Receipt Books.....	64.70
Commission on Registered Mail Insurance.....	238.21
Convention Fees collected from Outsiders.....	35.00
Miscellaneous	12.09
Total Income.....	<u>\$31,506.87</u>

Expenditure:

Convention Expense:	
Expense of Convention.....	\$ 2,304.71
Expense of Annual Outing	346.58
Printing, Stationery, &c.....	2,188.65
	<u>\$ 4,839.94</u>

Protective Expense:

Salaries	\$ 3,075.00	
Traveling Expense.....	1,046.61	
Rewards	500.00	
Cost of Moving Picture Film.....	200.00	4,821.61

Minnesota State Chapter:

Bankers' Short Course—Incidental Expenses	373.90	
Bankers' Short Course—Supper, &c..	223.85	597.75
General Expenses:		
Salaries	\$ 9,511.34	
Rent and Light	935.27	
Telephone and Telegraph.....	322.63	
Printing and Stationery	2,063.92	
Legislative Literature	241.00	
Office Supplies	146.44	
Postage	1,091.61	
Office Equipment	469.33	
Legal Services	300.00	
Expenses of Executive Council	282.96	
Officers' Expenses attending meetings	694.80	
Dues and Subscriptions	24.50	
Fire Insurance—Office Furniture	15.20	
Taxes	28.30	
Bond Premiums	54.12	
Secretary's Traveling Expenses	1,136.48	
Agents' Licenses	1,976.00	
Miscellaneous	275.79	19,569.69
Total Expenditure		<u>\$29,828.99</u>
Excess of Income over Expenditure		\$ 1,677.88

We have audited the accounts of the Minnesota Bankers Association for the year ending May 31, 1921, and we certify that the foregoing is, in our opinion, a correct statement of the Income and Expenditure of the Association. No credit is taken for Membership Dues accrued or Interest accrued on Investments. The funds of the Association as at May 31, 1921, consisted of the following:

Second Liberty Loan.....	\$ 5,000.00
Third Liberty Loan.....	2,000.00
Victory Liberty Loan.....	3,000.00
	\$10,000.00
Balance at First National Bank, Thief River Falls, Treasurer's Account	24,992.59
Insurance Commission due.....	843.65
	\$35,836.24
Less Enrollment Fees held for American Institute of Banking.....	1,091.75
	\$34,774.49

MARWICK, MITCHELL & CO.,
Accountants and Auditors.

115 South Fourth Street,
Minneapolis, June 9, 1921.
Treasurer's Financial Report—

Treasurer's Financial Report

For the year ended May 31, 1921

Receipts:

Balance in Bank, May 31, 1920.....	\$23,758.79
Received from G. H. Richards, Secretary.....	75,545.05
	<u>\$99,303.84</u>

Disbursements:

W. B. Joyce & Company—Insurance Premiums collected less Commissions deducted.....	\$39,154.79
Return Premiums on Insurance cancelled, &c.....	2,338.59
Amount paid to American Institute of Banking on account of Enrollment Fees collected.....	423.50
Minnesota State Chapter:	
Bankers' Short Course—Incidental Expenses	\$ 373.90
Bankers' Short Course—Supper, &c..	223.85
Refund of overpayment of Membership Dues.....	180.00
Convention Expense:	
Expense of Convention.....	\$ 2,304.71
Printing, Stationery, &c.....	2,188.65
Advanced for Expense of Annual Outing	2,000.00
	6,493.36
Protective Expense:	
Salaries	\$ 3,075.00
Traveling Expense	1,046.61
Rewards	500.00
Cost of Moving Picture Film	200.00
National Surety Company—Reward ..	200.00
	5,021.61
General Expense:	
Salaries	\$9,511.34
Rent and Light	935.27
Telephone and Telegraph	322.63
Printing and Stationery	2,203.42
Legislative Literature	241.00
Office Supplies	146.44
Postage	1,091.61
Office Equipment	469.33
Legal Service	300.00
Expenses of Executive Council	282.96
Officer's Expenses attending meetings	1,042.71
Secretary's Traveling Expenses	1,136.48
Agent's Licenses	1,976.00

Carried forward	\$19,659.19	\$54,209.60
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Total Receipts Brought Forward	\$99,303.84
Disbursements, Continued:	
Brought forward	54,209.60
General Expenses, Continued:	
Brought forward	\$19,659.19
Fire Insurance	15.20
Taxes	28.30
Bond Premiums	54.12
Dues and Subscriptions	24.50
Miscellaneous	275.79
Refund—Drafts, &c. returned	44.55
	20,101.65
	\$74,311.25
Balance in Bank, May 31, 1921	24,992.59
	\$99,303.84

We have audited the accounts of the Treasurer of the Minnesota Bankers' Association for the year ended May 31, 1921 and, we certify that, in our opinion, the foregoing statement correctly sets forth the Receipts and Disbursements by the Treasurer of the Association for that period. All expenses paid during the period were properly authorized and sufficiently vouched.

MARWICK, MITCHELL & CO.,

Accountants and Auditors.

115 South Fourth Street,
Minneapolis, June 9, 1921.
Secretary's Financial Report—

Secretary's Financial Report

For the year ended May 31, 1921.

Receipts:

Membership Dues collected.....	\$17,032.50
Insurance Premiums collected, less allowance to Banks on Fidelity Protective Premiums, &c.....	52,463.97
W. B. Joyce & Company—Protective Contract....	600.00
Refund of Return Premiums on Insurance Cancelled Less Commission deducted, &c.....	1,849.70
Interest on Liberty Loan Bonds.....	440.00
American Institute of Banking—enrollment Fees col- lected	423.50
Sales of Receipt Books to Banks.....	64.70
Commission on Registered Mail Insurance.....	238.21
Convention Fees collected from Outsiders	35.00
Refunds:	
Protective Expense, National Surety Company, Reward	200.00
Minneapolis Clearing House Association, Reim- bursement of meeting Expenses	347.91
Advance for Annual Outing—Amount Unex- pended	1,653.42
Thomas A. Clark & Company Printer's Account paid twice	139.50
Draft returned protested	42.55
Pequot—Check returned	2.00
Miscellaneous Receipts	12.09
	\$75,545.05

Disbursements:

Remitted to Treasurer	\$75,545.05
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We have audited the accounts of the Secretary of the Minnesota Bankers' Association for the year ending May 31, 1921, and certify that, in our opinion, the foregoing statement correctly sets forth the Receipts and Disbursements by the Secretary of the Association for the year.

MARWICK, MITCHELL & CO.

Accountants and Auditors.

115 South Fourth Street,
Minneapolis, June 9, 1921.

For the year ended May 31, 1921

Statement of Income Secretary's Department

Membership Dues..... \$16,852.50

Commission on insurance:

Commission on Insurance paid..... \$13,309.18

Commission Accrued, May 31, 1921..... 843.65

\$14,152.83

Less:

Commission Refund on Insurance cancelled..... \$488.89

Commission Accrued, May 31, 1920..... 399.57 888.46 13,264.37

W. B. Joyce & Company—Protective Contract..... 600.00

Interest on Liberty Loan Bonds..... 440.00

Sale of Receipt Books..... 64.70

Commission on Registered Mail Insurance..... 238.21

Convention Fees collected from Outsiders..... 35.00

Miscellaneous Income..... 12.09

\$31,506.87

AFTERNOON SESSION**Thursday, June 23, 1921.**

President O. M. NELSON: The Convention will please come to order. While the members are assembling, Mr. Richards wishes to bring a matter before the meeting.

Secretary G. H. RICHARDS: Last year at Duluth when we had our annual convention, we got part way in making an amendment to correct the phraseology of one section of our By-Laws. In the hurry of the meeting we lost sight of it on the second day, however, and no action was taken. It is necessary that the proposed amendment be read one day in advance of the day when it is offered for adoption. Therefore I wish to read to you the proposed amendment to our By-Laws, which will be offered for adoption tomorrow. This is at the request and with the approval of the Council of Administration.

We propose to amend Section 5 of Article 4 by transposing the clause "or member of the Council of Administration" to follow immediately the first clause "If any officer," thus causing the paragraph to read:

"If any officer, or member of the council of Administration, excepting the Secretary, ceases to be actively engaged in the banking business, he shall thereupon be held to have vacated his office in this Association." It is only for the purpose of correcting the phraseology which might be construed in two ways in the present paragraph. Then another amendment will be offered in the way of a new section which will be as follows:

"Where a member of the Council of Administration, excepting the Secretary, shall have served one-half or more of a full three-year term, he shall not be eligible to succeed himself."

That clarifies the matter as to whether a member of the Council shall succeed himself or not. Those two proposals for amendment will be offered for your consideration tomorrow.

While I am on my feet I wish to say that if there are those who contemplate going to Yellowstone Park, we wish you would take the matter up with the young man out here representing the Northern Pacific Railroad. He can give you any additional information which you wish, and he would like

to complete his list of the people who are going on that trip.

Incidentally, Mr. McNeill of the Northern Pacific, asked me to announce today that because of a washout in Montana it would be necessary for our train for the Yellowstone Park to leave promptly at 11:05 tomorrow evening, on the time of the regular train for the Yellowstone, otherwise there will be a delay of nearly half a day in arriving at the Park. Therefore, when you receive the announcement from the Entertainment Committee, you will find that there will be trains coming in from the Automobile Club tomorrow evening, one at 9:30. Anyone who is going to the Yellowstone will have to come in on that 9:30 train in order to take his place in his car which will be parked at the Union Station. The next train from the Automobile Club will be at twelve o'clock, and the Yellowstone Park trip cannot wait for the arrival of that train.

Therefore, any of you who are going on that Yellowstone Park trip will please arrange to come in from the Automobile Club at 9:30. Your cars will be parked at the Union Station, and you can occupy your space any time after nine o'clock tomorrow evening. There is a very congenial party starting for the Park, and there is still room for others. You will be very welcome and are assured of a pleasant time. We should like to have you join us.

President O. M. NELSON: I have another telegram of regrets, another disappointment, but we have been working under disappointments for a long time and we are accustomed to them. After all, I think when you find who the next speaker is going to be, it will not be so much of a disappointment to you. Mr. Dickson, Attorney General of Illinois, has wired us that it will be impossible, on account of urgent business, to be present at this meeting, so we will have to forego the pleasure of hearing Mr. Dickson.

A gentlemen, however, whom you all know very well, has kindly consented to fill in the gap. It is a long time since we have heard this gentleman address our various conventions. He is to me reincarnation exemplified, not that he has been dead, because he has never died, but he has moved away from us and returns to us in a different spirit. He left us as a banker and comes back to us today as a merchant. I know you will all be very happy to hear from our old friend, Joseph Chapman.

Mr. JOSEPH CHAPMAN: Mr. President, and Ladies and Gentlemen of the Minnesota Bankers Association: Mr. Richards telephoned me yesterday afternoon about five o'clock and told me the sad news, that was sadder to me than it was to him, because, while there would be no greater pleasure in the world than meeting with you people, I have got out of the habit of making speeches. The kind of business I have got into, I don't have time to make speeches; I have to work, and so I have not prepared anything definite.

While I have been out of the banking business for only some eighteen months, or a little over, twenty months, I have had a good deal of time, at odd times, to think about the banking business and the banking profession. I have become associated on the outside with people who have different ideas of the banking business from those the banking profession and I entertained while I was in the business and that you entertain at the present time. So I thought we would talk over those impressions just for a few moments, because that is all the time I am going to talk to you. I do not know how long the Attorney General was going to talk to you.

President O. M. NELSON: About an hour.

Mr. JOSEPH CHAPMAN: But I can assure you on a hot day like this that I am not going to take as long as he would have taken. In the first place I entertained the opinion that the banker was the most respected man in the community and that the people looked up to the banker and listened more eagerly for the words of wisdom which dropped from his lips than for those from the lips of any other man in the community. But I was astonished to find on the outside that there are lots of people who do not think that way about the bankers at all, they have not that point of view. I call your attention to the recent election in Minneapolis, where there were some 63,000 people who thought that the present order of things was not the way that things should be run and that there should be a change. Also, we had an election in Minnesota which showed that many people do not agree with the theories and practices of established businesses. I think it behooves us both as bankers and as business men, to look into this matter a little and see if there is any just cause of complaint.

Now, I have some pretty clear-set ideas about the bankers of Minnesota. Eighteen years ago I was elected as Secretary

of this Association, and I was Secretary of it for some seven years. Twelve years ago I was President of this Association, and I always entertained the idea that the bankers were really more responsible for the development of Minnesota, for the class of people that we have here and our class of industries, and for the happiness and contentment of our people, than practically any other set of business men.

After nearly two years out of the business I have come to the conclusion that, while my thoughts at that time were exactly right, I am reminded of the condition that we are in at the present time, and if those discontented people and the radical people who want to change our government should make the statement that we are in the condition we are today because the bankers break their necks to accommodate their customers, I would agree with them. That in my opinion is wrong not only in Minnesota, but throughout the country. The bankers of the United States were too good-natured and too easy with their customers, rather than being the tight-fisted old scurmudgeons that those opposite people seem to think you are.

About last fall certain people, whom, my observation goes to show, never made a success of their own business, attempted to advise the farmers of the Northwest at what price they should sell their crops. To their sorrow, the farmers of the Northwest largely followed the advice of that kind of people. I was interested in looking up some figures the other day, and I find that they have some very definite figures regarding the losses that the farmers in Minnesota, North and South Dakota sustained, because of following that uneconomical advice of holding your wheat for a certain number of dollars a bushel and not selling a bushel under that. Notwithstanding what world conditions were, notwithstanding what the laws of supply and demand might require, and notwithstanding what people could afford to pay for the farmers' products, they were to sell for a certain price. As the result of following that advice the loss to those farmers was over \$100,000,000, and the reason the banks of the Northwest are not literally on Easy Street today is because the farmers did follow that advice, and the bankers let the customers have their way about it instead of liquidating.

Now, I am not saying at that time you did not do right. I would probably have done exactly the same thing at that time;

but I want to call the attention of the farmers and your customers to the fact that the advice which comes from a banker is worth ten thousand times over to them the advice that comes to them from any agitator, no matter where he is imported into Minnesota from. That is the conclusion I have come to sitting on the outside and looking into the banking business.

I do not think there is anything that the bankers of Minnesota need be very seriously concerned about today. The old President of the Northwestern National Bank, the man who founded the Dunwoody School here, who left a fortune of approximately \$8,000,000, and with the exception of some \$500,000 left absolutely all of it to charitable institutions, that man had some very peculiar theories, I thought, when I was younger than I am now. He said that the time for the banker to be afraid and to be worried is when everybody is absolutely wild on the idea that there is no way to prevent things from going up, and that there is no end to prosperity,—that is the time for bankers to be worried. But when the people once find out that they are wrong and liquidation sets in, that is the time for a banker to be a little easier in his mind because then he is not the only one in the community that is interested in danger signs.

I think today that we are largely in this country in the same condition that President Vincent described when he was here with the University. He made the statement that a democracy is like people on a raft, that they go along slowly and sometimes they are in the water up to their knees, sometimes the waves slop over on the raft, but very seldom the waves come up in a democracy to where the courage and the heart and the mind are. They do not get that high. A democracy goes slowly and makes slow progress, and that is the way we learn in a democracy. While in a monarchy, he said, it is like a swift ocean passenger ship. Everything is all right until they strike an iceberg or a rock, and then all hands go down together. Democracy is not like that.

Ladies and gentlemen, that is what we are doing in this country today. We are on a raft, the waves are slopping over, we are getting our feet wet, but we have no license whatever to lose our courage. Absolutely not. The shore is in sight, and we are headed for it. There isn't any iceberg, and there is not any rock that is going to sink that raft because the people or

America have too much good, common, horse sense to allow any such thing as that to happen.

Therefore, I believe in many ways that in America the worst of our troubles are over. It is not going to be pleasant right away, I do not believe that, I am not foolish enough to believe that, but I am optimistic enough to believe that the farmers and the business people of the Northwest have learned a lesson in political economy. I believe when we get a crop in this year, and I believe we are going to have a good one, (we always do, thus early in June, anyway,) things will improve very much. This no time to be disheartened.

But when you get the crop in I think you people are going to be surprised at one thing. There are many thousands of people in the United States who are tired of being in debt, and the moment those people can liquidate they are going to liquidate. My concern is not that there is not going to be enough money to go around, not that money is going to be tight, or that you are going to get high rates for interest, my concern is, are you going to be able to get your money out at profitable returns in a few months from now? The tide is turning, and we are swinging back. The papers have been full of the conditions of the banks and the legal reserves, and the business men have been worried about them and they are concerned about them, but, believe me, Mr. Farmer, who does business with you, is concerned about what he owes, and he is going to get it paid.

Now, what is going to be the outcome of that? We are going to have better times in this country, and when times pick up, the stocks of merchandise that your merchants have your town, the stocks of lumber, the stocks of coal won't last over night in this country when the people begin to buy. That means there is going to be more employment.

But it also means another thing, ladies and gentlemen, and that is that the American people have learned another lesson. That is that they are not going to pay exorbitant prices for what they purchase. I see that every day in the business, especially in the last six or nine months. People who never used to ask the price of things want to know what they cost and what they cost before the war, because they read in the papers that things are coming back to pre-war values. They are learning.

That means that labor has got to give an honest day's work for a day's pay. That means you are going to get your goods cheaper, and that the money that the farmer gets from dollar wheat, or \$1.10 or \$1.25, I don't know what wheat is going to be, is going to bring that farmer more in value in goods more in value in labor, than he has had in the last five years.

I think that nobody is going to get very wealthy in this country in the next year. I think, for one, that the times are such that they should not. When we consider the conditions of Europe, we ought to be ashamed when we put our heads on our pillows that we have anything to worry about in America. That is the way I feel about it, and that is the way that I feel that the real American ought to feel. We do not know the beginning of the meaning of the word trouble, and yet a lot of our people are worrying themselves sick. I think today, ladies and gentlemen, that the manufacturer, the man who has to meet his pay roll every week, is more entitled to consideration and to our sympathy than any other man in America. That is the man that we are concerned about because he furnishes labor in these big cities that buy our flour. If they have no money to buy, we cannot sell. Therefore our people have got to be employed in this country.

I am not so crazily optimistic about the future that I think we are going to be able to flood Europe and South America with goods. I remember reading in the financial journals where millions upon millions of dollars have been lost by our eastern banks through trying to force foreign commerce. It cannot be done. The people over there have not got the money to pay. They know what real trouble is.

But we have 110,000,000 people of our own here in America, and I should say we could worry along pretty well for a considerable time if we do not get too fantastic notions of what should be done and how soon it should be done. I am still old-fashioned enough to think that the Lord looks after America, and He will look after us as long as we behave ourselves. I think the American people right this minute are in a more sober and sane state of mind than they have been in for six years. The loss of those paper fortunes and the loss of those profits have been a good thing for America. We have learned our lesson, and I hope, before we get through with it, we will

learn the lesson that money is not everything in this world, and we will go back to the good old-fashioned times when learning and culture meant more than the dirty dollar.

I doubt, in the last few years, whether it has been that way. Money has been the standard, and I think we are most likely coming into another era in this country. I think those 63,000 votes in Minneapolis are an indication that a large majority of the people in the United States are not satisfied with conditions as they have been. That is all the more reason why you men, who hold the financial destinies of this State in your hands, should give careful thought and study to the conditions that we are in, and, as far as in each one of you lies the power, see that no man or woman in your community has just cause to complain against you, that you have not given him a square deal.

That is at the bottom of the trouble we are in now, largely imaginary on the part of many people. That feeling has been fanned by agitators who do not want to do an honest day's work, who believe their work is in agitating and causing revolution. The good old Golden Rule is the one thing that I know of—I thought it while I was in the banking business, and I see no reason to change it now that I am a merchant—it is the thing that is going to save America.

I want to congratulate you people on another thing that I have noticed in the last year or two. When I was active in the Association, I was just old-fashioned enough to think that a bank that could not stand on its own bottom was not worthy to be a bank, and I personally am very glad to see and know and to congratulate you people that Minnesota is still a state where the banks do not have to have a guarantee, either state or otherwise, so the people can walk into your doors and do business.

I have another old-fashioned idea and that is that when God Almighty made this Mississippi Valley he put a kind of people into this valley that were going to amount to something and teach the world something, and I have not changed my mind about that at all. I believe that is the kind of people that live here, people who work and who are not ashamed to work for a living, people who have to work in the summer time in order to buy coal and an overcoat in the winter time. That is the

best thing that ever happened to any people, that they have to work. We have got the work habit up in this country and it keeps us sane.

Parts of this country are not so well off as we are. After going over the Northwestern country and then going down East and passing miles upon miles of manufacturing establishments on the Pennsylvania road and the New York Central, I think that in times like this we ought to be very thankful we are living in the Mississippi Valley, where we can see the grass grow, where the cows have enough to eat, so that your customers can bring in creamery checks once a week and buy stuff at the stores, and pay the banks what they owe. We are better off in my opinion right here in the Northwest, in Minnesota, than any other section, not of the United States, but of the world. That is where we are today, ladies and gentlemen.

But I doubt whether many of us take time to appreciate that. There was a man in the store this morning, and he undertook to tell me that a certain article that he sold would not be reduced price. I said, "I have heard that same story before." Take it from me and learn it now, there is nothing to that line of talk, because the people won't pay that price. They are the people who buy in this country. They will say what they will do and what they won't do, and they won't buy your article because they think you are charging them an exorbitant price for it and we cannot handle it for that reason.

That is the kind of people we have here in the Northwest. They are independent. They do some thinking. I am not at all disturbed about those 63,000 votes in Minneapolis, providing that Minneapolis, Minnesota, and the Northwest, and the Nation, learn a lesson from that,—and that is the chief point of my coming here.

I do not want to be an alarmist or a pessimist, but I think, if I am anything today, I am a conservative optimist about this country. We are past the worst part of the journey. It is going to take us some time to get out into the Beulah Land, but we are certainly not in the wilderness.

I want to thank you for all I have learned from you people while I was a banker. I have had mighty pleasant associations, and never expect to have more pleasant associations than I had in the banking business. Now that I am a merchant I

have learned another thing that I did not pay much attention to in the bankers. I think it was not so bad in those days as it is now, because when people get discouraged and get into a Slough of Despond about business, that is the time that the tongue of gossip wags most.

During the time that I have been a merchant I guess the concern I have gone with has been reputed to be bankrupt and "busted" from Iowa to Montana a dozen times. I talked it over with my partner, and I said, "Why should we worry as long as we do not owe the bank a dollar, as long as we have got money in the bank, as long as we discount our bills, why should we concern ourselves about what these gossip-mongers are talking about?" But the point is that it is not only the strong institution that is being attacked in these days, and that is one other thing that I want to call your attention to. I believe there should be some law in the State of Minnesota to punish people who maliciously utter false information regarding the financial standing of either a bank or a business house. That is something that should have attention. Many concerns will have to sweat considerable blood before they get to that Beulah Land, and they are entitled to the sympathy of the public and the sympathy of the banker, rather than to be made the football of the scandal-mongers.

I am going to submit that one suggestion to you gentlemen, not for the concern that I am interested in, they did not get me over there to finance themselves as many people thought, because they were already financed. If they had not been I would not have gone over there because at my time of life I was not looking for trouble. Thank goodness, I did not find any trouble; but there are other concerns all through the State of Minnesota that need different treatment from that.

I am going to stop at this time. I made up my mind I would not tell you any stories, made up my mind I would come before you to show that I had not changed my thoughts or habits of life since I was a banker. In fact, I do not find any difference in the way you reason, whether you are a banker or a merchant, or the way you do business; the same principles rule in both. I want to say that when you get home, get closer to your customers if you are not close. You can learn a lot of human nature in stores. Perhaps ten or twenty years from now, if you ask me to come back, I could make a speech to you

on how I like being a merchant. At the present time I have been so busy learning to be one, I do not really know whether I like it or not. I thank you.

President O. M. NELSON: I know you people all hold it a pleasure to hear Mr. Chapman again.

We were to hear from our esteemed citizen, who made the gallant race to victory, at the last State election—our Lieutenant-Governor, Mr. Collins. Is Mr. Collins in the room? Governor Collins stated earlier in the day that he might possibly be a little late, so I presume the proper thing to do is to proceed with the program.

We will now have the pleasure of hearing from a man located in the other section of our country. We wish to assure him that he is welcome here, and if he can furnish any hotter weather down there than we have here we feel sorry for him. We will be very glad indeed to hear from our next speaker, Mr. James S. Peters, Vice-President of the Bank of Manchester, Georgia.

Federal Reserve System and Par Collections.

ADDRESS BY MR. JAMES S. PETERS

Vice-President of the Bank of Manchester, Georgia.

Ladies and Gentlemen: the President spoke of the heat in this room. It is just a little hot in here, I suppose that the thermometer is somewhere around 80 or 90; and he said if we could furnish you any hotter weather down in Georgia than you have here we were welcome to it. When I landed in Wisconsin the other afternoon, across the river at LaCrosse, where my good friend Mr. Wing lives, I thought that was about as hot a place as I expected to get to in this world. I may reach a little hotter one hereafter. Well, it is a little warmer down there than it is here.

However, I wish to say, Mr. President, that indeed it is a pleasure to come to Minnesota. I have heard a great deal of the Northwestern country, and, when I was a little boy, my

mother used to rock me to sleep at night telling me Buffalo Bill stories and stories of what we called down there the wild and woolly Northwest. I am glad to say I do not know why the wild or the woolly was put there.

I am very glad indeed to be here with you. I was interested very much in the remarks of the gentleman just preceding, Mr. Chapman, and had he made that talk to the bankers or the business men or the farmers in the State of Georgia it would have been just as applicable as it was today. Our farmers were told last fall to hold their cotton, a maximum price was fixed, and no man was to sell for any less than that. The cotton farmer "got stung" just like the wheat farmer "got stung." Their conditions are much like yours, although there is an improvement.

Now, Mr. President, I do not believe you mentioned the name of this subject: "Federal Reserve System and Par Collections." I do not know just how many of your bankers are interested in that subject. Admittedly there are two sides to it. We have many in our state who are in favor of the par collection plan, and then we have some who are opposed to it.

However, this situation reminds me of the boy and the girl who lived in Kentucky. When the first railroad came through that country, they dug a tunnel through one of those hills or mountains, and they had a great excursion down to the picnic grounds below. This young man had been calling on this young lady for about ten or twelve years and had never been able to pop the question. He took his girl and went down on the excursion and as they neared the tunnel the girl noticed that he became more pensive and more thoughtful than she had ever seen him before.

When they got inside that tunnel and all was dark, he just reached over and put his arms around her and pulled her up really close to him, the closest he had ever held her, and planted a kiss on each cheek and then one half way between the chin and nose and said, "Will you be mine?"

She said, "I have been waiting for ten years to tell you that."

Just then the train shot out of the tunnel, and he was somewhat embarrassed. He said to her, "You know they tell me that thing cost five hundred thousand dollars?" She said, "Yes, and it is worth every cent it cost."

Now, in this par clearance fight, it is all a question of the viewpoint. To the country bankers it is worth at least \$500,000. In fact, I have heard the statement made that it is worth as much as \$137,000,000. If it is worth that much, it is worth fighting for.

Now, let me say, that in issues of that kind where differences of opinion arise we can always find those who are willing to becloud the issue, draw attention away by undertaking to array one class against another, or to array one section of the country against another section. We were not surprised recently to read an article in a magazine where the writer undertook to say that the only objection to par collection of checks was found in the southern section of the country or, particularly the Sixth Federal Reserve District.

Well, on my return home I picked up a bank journal on my desk and found a banker there who undertook to take the bankers to task for arraying themselves with what he called the socialistic bankers of the Northwest. It is unnecessary to tell you that he was sat down upon and has not been heard from again.

But, in order that we may readily clear ourselves, or clear the contention that this is sectional, it is best to refer to the statement of Governor Harding, made in May of last year, in which he admitted that approximately twenty thousand banks were on the par list unwillingly, and against many of these, drastic action had been taken. He said that some of the most vicious opposition was found in the White Mountains, in the northern part of the State of New York, and in the Mohawk Valley of New York. In view of the admission that approximately twenty thousand banks of the country were on the par list, and were on it unwillingly, it would seem idle to refer to the cumulative facts at hand in order to sustain the contention of the nation-wide opposition to the par clearance of checks.

There are many facts to sustain this, but I am sure you will agree with me that we cannot refer to all of them. However, I want to invite your attention to the decision of the Supreme Court of the United States, handed down on May 16th last, in a case that came up from Georgia, this being the first

suit that was filed against any of the Federal Reserve Banks.

I am sure that you have all read this decision, also the statement made by Governor Harding on the afternoon of May 16th in which he undertook to camouflage his position and leave the impression with the public at large throughout the country that this decision was favorable or approved the methods of par collection adopted by the various Federal Reserve Banks.

Notice what he said. He said that this decision does not interfere with the check clearing "function" of the various Federal Reserve Banks. Now, why did he use the word "function?" The functions of the bank were not in question. The court itself in the very beginning said, "We lay on one side as not necessary to our decision the power of these banks, assuming that they come within their powers." Then why raise the question of function? Why did he not say something about the method? Change that sentence, and insert in it the word "method" where he has the word "function," and see what the statement is. The decision of the court therefore would read—"Does not interfere with the check clearing method of the Federal Reserve Banks."

Now, no one knows better than he that the question of the function was not at issue. But what about the method? If that decision was favorable to the par clearance of checks, why did he not immediately place all of the banks in the Sixth Federal Reserve District upon the par collection list? Why did he not go into North and South Carolina and place the banks there on the par list? Why did he not take the banks in South Dakota and place them upon the par list, if that decision was favorable? The truth is he knew that that decision contradicted directly every contention of the Federal Reserve Board and the Federal Reserve Banks, and their position relative to the par Clearance of checks.

Now, as we go along, and if I can get your minds to go along with mine, I want to discuss this decision just a little further. I want to refer to the latter part of the decision. Notice what the court says further. This suit was filed, mind you, and when this suit was filed it was based upon the single contention of whether or not a Federal Reserve Bank or any other bank could be restricted in the presentation of checks in

a body or *en masse*. The Federal Reserve Bank of Atlanta held this position. They said that they had a right to mass checks or to hold checks and to present them in a body across the counter and ask the cash therefor.

It was very interesting in this connection to note the attitude of counsel and the argument in the case, as well as the spirit of the bank itself, reflecting as it most assuredly did, the sentiment of the Board in Washington,—their willingness, if you please, to disregard every moral right of those unoffending institutions, in their zealous endeavor to visit upon the banks, what they themselves call “embarrassing, annoying and offensive methods” to compel them to do their will. That is the language of the decision, if you please.

In the first place the court began by referring to the abstract right. The first part of the decision dealt with the abstract right of presentation, whether or not a check can be presented *en masse*. In the case submitted, mind you, it referred to the unfair methods of competition, and to disinterested “malevolence.” Then the court went on to say that it was not in keeping with the public policy of the country.

Furthermore they went on to state, towards the end of the decision, the court there called the methods which were alleged in the suit against the various banks, as being nothing less than warfare—“Warefare upon the legitimate creations of the State.” That is the concrete example, beginning with the abstract right and going through unfair competition and down eventually to the concrete contention, calling it warfare upon the institutions of the various states.

I would like to state further that this decision is in keeping with a letter which I happened to receive from the attorney of the American Bankers Association at the time that the suit was filed, and while the opinion which he expresses in this letter is not to be regarded as an opinion as the attorney of the Bankers Association, at the same time he does not object to its being used as his own private opinion.

Now, let us see what the attorney of the American Bankers Association said. Bear in mind what Governor Harding said this decision is. “The opinion establishes that it is unlawful for a Federal Reserve Bank”—mark you well what this says,—“the opinion establishes that it is unlawful for a Federal

Reserve Bank to accumulate checks upon the country banks until they reach a large amount and then to cause them to be presented for payment over the counter or by other devices detailed to require payment in cash in such wise as to compel the plaintiffs (the country banks) to maintain so much cash in their vaults as to drive them out of business, or force them, if able, to submit to the defendants' (Federal Reserve Banks) will."

In other words, the attorney states that you cannot mass checks and present them across the counter any longer in this country, gentlemen, in order to compel a bank to do something that it would not have otherwise done.

Now, what is the massing of checks? I was very much interested in noticing the change of attitude upon the part of the Federal Reserve Bank in our district as to what the massing of checks really was. In the original suit they contended that the massing of checks was taking today's checks and tomorrow's checks and the next day's checks and keeping them for three or four weeks and then presenting the checks in a body and demanding the cash for them. The contention of the country banks was this, that the massing of checks was nothing more or nothing less than placing your bank upon the par list and advertising to the country that checks on your bank would be handled at par. That is our contention as to really what the massing of checks means.

I want to say to you gentlemen here in Minnesota, I was very much interested. A gentleman said to me today, "Has there been any change in your state or in your district?"

I said, "None whatever, we have never had par clearance down there." No checks have ever been presented across the counter, and there is not a non-member bank in our district that cashes checks at par. Not only that, we have not done so, we do not expect to do so next week, we do not expect to do so next year. We never expect to remit in par until we decide of our own volition to remit at par or unless Congress changes the statute.

If you want to get off of this par list it is a very easy matter. Notify your Federal Reserve Bank that you are coming off of the par list the 10th of next month or the 15th of next month; and take it from me, gentlemen, your checks will not

be presented across the counter and the cash demanded for them. If they are, it is the easiest thing in the world to stop it. You can get a restraining order in twenty-four hours, because I do not think there is any question of a court granting a restraining order in view of this decision from the highest court in the country.

That decision is not preceded by a single "if." It says that those methods practised by the Bank in our District are warfare. Now, where can you go to find a word stronger than "warfare?" The Supreme Court has stamped those methods as warfare, practised by an arm of the Government upon twenty thousand unoffending institutions.

Warefare? Why, the President of the United States, the most powerful man in the country, cannot declare war on a common enemy across the sea unless he receives first almost a solid public sentiment behind him, and approved by two-thirds of Congress in session assembled. But here the Federal Reserve Banks are engaged in warfare against these institutions, without declaring war, without the approval of Congress, without the approval of anybody except themselves.

That word "warfare" is not my language. We have not charged them with perpetrating warfare, gentlemen. That language is the language of the highest court in the United States. It is the language of a court from which there is no appeal. That sentiment and that decision was written by Mr. Justice Holmes. Guilty of what? Guilty of warfare, and yet Mr. Harding says it does not interfere with our functions. Most assuredly he ought to understand the difference between "functions" and "methods," because I believe it is a very simple thing to understand, easier to understand than the difference between essentials and non-essentials.

I was very much interested in our District to find out just how it was that we had this par clearance and why it was ever brought on that country. Gentlemen, it is a matter of expediency, that has been admitted by Governor Harding, that the par clearance of checks was never intended. The man who wrote the law, Mr. Carter Glass, says it does not and cannot compel non-member banks to remit at par. The Attorney General came on and stated that you could not accept these checks on non-member banks unless they agreed to remit at par, and

yet the court comes on and says it is warfare. Then the Governor of the Federal Reserve Board comes out and says it does not interfere with our check clearing function.

Now, why, this par clearance? Last year, on May 15th, the Governor admitted it was purely a question of expediency. In other words, he said, you could not expect the Federal Reserve Board to interpret statutes so as to make it to the advantage of a bank to stay out of the system. He said that if they did that, it would hurt some of the other issues that were conceived at the same time that par clearance was conceived, the purpose of which is to take away some of the rights of those institutions.

Now, in conclusion, Mr. President, let me say that the country banks in the United States—and we refer to them as country banks, not for the purpose of arraying these banks against any other banks—occupy the position that we do today in this par clearance fight because we were not organized to resist it. Last year, May 5th, was the first time in the history of this country that country banks went to Washington to ask for anything or to oppose anything, and yet we are the most powerful class in this country from the standpoint of ability to reach the people. Our arm reaches out into every part of the country. If we had a national, cohesive country bankers association in this country, devoted to the interests of the country bank, whose sole object was to fight for our rights and preserve them, we could get anything from the State Legislatures and from Congress that was reasonable and would be helpful to us. But today the country bankers remain unorganized, while the plumbers and the street cleaners and the trash wagon drivers are organized. The country bankers, the most powerful class in the country, are not organized.

I trust, gentlemen, that you bankers in Minnesota, the country bankers especially, will take more interest in your state organization. I know it is true that in our state the country bankers have stayed at home. They have left it to just a few men to run the organization, and if they haven't run it to suit them, they have cussed them. I know that we have looked to the American Bankers Association to solve all of our problems, and to look after our organizations, and we have stayed at home, and have not even attended the meetings or thanked them for what they did.

Today the country bankers are on trial. Unless we take an interest in the state organization, unless we take an interest in our national organization, and unless we solve our own problems, we will have other things "put over" us that will be as hurtful to us as the par clearance of checks.

Mr. J. H. INGERSON: I was very much interested in the discussion of this question that we have been favored with by Mr. Peters. I am mighty glad I had a front seat, and I want to thank Mr. Peters for making clear to the bankers the difference between *method* and *function*. I have at times been in doubt as to the policy adopted by the Federal Reserve Bank System in so far as its methods of collection are concerned, and yet I must admit that every question of this sort has two sides.

I am now a national banker and have been for a number of years. It was my privilege to be the president of the first state bank in the State of Iowa to join the Federal Reserve Bank System, and it joined the System before the laws were amended so as to give the state banks privileges they did not enjoy before those amendments were adopted by Congress. Our bank never had any cause to regret the action it took at that time, and I believe it is still satisfied that it took a wise step when it identified itself with the Federal Reserve Bank System. I have been a consistent believer in the Federal Reserve Bank System from its inception, and I think today that it is the greatest banking system the world has ever seen.

I understand, Mr. President, that there is a gentleman in the room who has discussed this question before the Legislature of the State of Wisconsin, from the standpoint of the state banker, and in view of the fact that the bankers are all broad-minded and want to hear a question of this kind discussed from every angle, I would suggest that Mr. W. H. Doyle of Platteville, Wisconsin, be requested to speak a few minutes on this subject from the standpoint of the state banker.

President O. M. NELSON: Is Mr. Doyle present? We will all be glad to hear from you.

Mr. W. H. DOYLE: Mr. President, Ladies and Gentlemen: I have been interested in the subject of par clearance

for some time, particularly so in the last month when an effort was made to pass what is known as the Exchange Bill in the Legislature of Wisconsin, permitting banks to defeat the cash payment of checks, localizing exchange. In reply to Mr. Peters' reference to the Supreme Court decision, I desire to say this, that if Mr. Peters gets any comfort or satisfaction out of the decision of the Supreme Court on that question of par clearance, he is certainly entitled to it. But I want to say, in answer to Mr. Peters, that whatever satisfaction he gets, the fact remains that the Federal Reserve Banks today and in the days to come will be able to present checks at the counter of any bank and receive cash payment thereon, when presented in the orderly course of business.

Now, then, if the Federal Reserve Bank should as a matter of warfare, which he stresses so much, endeavor to accumulate these checks in order to wreck and ruin a bank, of course, the Supreme Court would balk them in any such attempt. That is the decision of the court, that if an effort was made to wreck and ruin a bank through any such operations, these banks should have a remedy. No reasonable man will deny that. That is the law of reason.

In the discussion of the par clearance plan of the Federal Reserve Banks, it will be well to consider thoughtfully the defects in the clearance system it attempts to supplant, and the benefits that will result from its universal operation throughout the nation.

At the outset we must not lose sight of the fact that the banks of this country are clearing houses through which 95 per cent of the business dealings and commercial transactions of the public are negotiated by means of checks. In no other country in the world has the use of bank checks assumed such tremendous proportions, and therefore their clearance along economic and scientific lines is a problem of national interest and importance, in which the public, as well as the banks, are vitally interested.

Prior to the inauguration of the Federal Reserve Clearance Plan, the par clearance of checks was a matter that each individual bank throughout the country had endeavored to solve satisfactorily for itself. Independently we were constantly hunting bank relationships, through which we would be able

to clear at par for our own institutions, all checks received on other banks. Necessarily, we bent every energy to solve this vexatious clearance problem to our own satisfaction, regardless of the violation of any economic principles it involved, or who suffered the ultimate cost of clearance. The essential need, therefore, in opening up a relationship, or a series of such relationships, in order that we might secure clearance over a wide area, was that the arrangement effected should bind the correspondents with whom we formed our alliances to par every item we sent them for clearance, and at the same time force the correspondents to submit to an exchange deduction on every letter they sent us. It is true that we were not especially solicitous as to the expense that had to be absorbed by the correspondent banks in providing this clearance for us.

When it was impossible for us to make a one-sided agreement of this kind—and the feat was impossible with some banks—we bided our time by making reciprocal arrangements until such time as we might be able to do better; and it is a noteworthy fact that many of us were interested in doing better.

We were constantly hunting and trying to secure as many of these relationships as possible, in order to head off some enterprising competitors whose mind had learned to follow ours in clearance methods. The more relationships and accounts we had, the greater were the par facilities we afforded ourselves; the greater were the advantages we had over our competitors, and greater were the tolls that ticked into our coffers from these sources.

Any bank that coveted our account—and there were not a few who coveted accounts—positively knew that they must stand and deliver on the exchange proposition, and thus the securing of reserve accounts was very largely dependent upon the ability of correspondent banks to devise additional par facilities for us, and at the same time forward us a greater volume of checks upon which we, of course, should be privileged to practice the art of deducting exchange. We are all familiar with the many iniquitous banking methods and banking practices that followed in the wake of that kind of clearance system, viz.: the circuitous routing of transit items through various chains of banks in order to escape this deadly exchange toll; the kiting of checks on the part of both depositors and banks; the delay and the liability that

attached to every bank concerned in the negotiation of checks, by reason of this delayed presentment; the uncertainty at all times as to the ultimate payment thereof; the great loss of interest incidentally suffered while clearance was being made through these chain-link processes; the opening of new accounts solely because of the profits to be derived from exchange on checks which we might receive for collection from these new sources. These evils together, with the fictitious, padded and pyramid reserves that naturally resulted in the processes mentioned, were the outgrowth of the old methods of clearance. So long as facilities were provided for ourselves, for our own individual bank, we considered our duty done, and complimented ourselves on our foresight and ingenuity in shifting the exchange burden on to other shoulders, and evading the operation of the Golden Rule in clearance. Despite the fact that the old clearance system exemplified injustice and permitted the devil to take the hindmost, there are still some banks that are willing to perpetuate the check clearance system that developed these pernicious evils.

Can any thinking man in this day and age of progress, of development and efficiency in every line of business, for a moment consistently argue that any such obsolete, dangerous, unscientific, indefensible clearance method shall any longer handicap today's requirements of trade and industry? Can any thinking banker endorse and approve the continuance of that kind of check clearance, that kind of injustice and discrimination? Does he think that the growing trade and commerce of this country should any longer be handicapped in that manner? Our banks were not chartered solely for the benefit and selfish personal interest of stockholders. They were chartered and created to serve the trade and commerce of our country; to facilitate the commercial operations of our people; and we are derelict in our duty when we fail to provide facilities which will enable our institutions to function not only in the highest interests of trade and industry, but in the highest interests of the general public.

Was it any wonder that the Federal Reserve Banks, these institutions charged with the mobilization of the banking reserves of the country, should at the earliest possible moment set about to modernize the old system of check clearance? We must admit that these two great functions, mobilization and

clearance, cannot be disassociated. The very first requisite in the most efficient mobilization of reserves was the establishment of an economic scientific, check clearance plan; a system of check transportation and check redemption, which would function uniformly and universally throughout the nation, serving member and non-member banks alike, converting our great mass of checks liabilities into liquid credit, and making them available for service as bank reserves in one-half the time required under the old system of clearance. It must be admitted, that any such object, that any such service as this new clearance plan contemplates, is absolutely essential, commendably meritorious from both an economic and commercial standpoint, and worthy of our fullest and heartiest co-operation as bankers.

For every benefit we enjoy we should be willing to make some sacrifices. For the many benefits that a sound, economic, par clearance system would give, not alone our community, but every community in this land, for the great benefits that would accrue to trade and commerce and to the public, we ought to be willing to make the very small contribution that the Federal Reserve Par Clearance System asks of us. We must all be made to realize that we are a part of the commercial mechanism of the country, and that in the solution of economic questions, where the greatest good and the greatest service to the greatest number is of paramount importance, we must function on broad-gauge lines and abandon narrow viewpoints.

Because of the quasi-public relationship we occupy, much is due from us in the solution of banking problems of national scope and character such as this clearance problem. We have duties and responsibilities, both express and implied, to the public and to our profession, which must not be discharged in any selfish manner. The degree of service which we are willing to give our communities, the degree of service which we are willing to render in promoting sound, economic banking, scientific methods and safe banking practices, is the test by which our real usefulness to our communities and to the public, may be measured and accurately determined.

Our co-operation with other banks in securing a nationwide par clearance system for checks, is positively mandatory and necessary in this day and age of our industrial and commer-

cial development. Our obligation in this regard cannot be excused under any pretext whatsoever. The personal gain that has been ours under the old system of clearance should not justify a narrow gauge view of the problem in all of its aspects. The checks outstanding against all banks should be made to discharge the highest degree of usefulness possible.

Under the Federal Reserve Par Clearance Plan the highest degree of usefulness and efficiency has been conferred upon all checks throughout this land, and any bank that would resist this clearance plan which seeks to confer greater usefulness and greater efficiency on 95 per cent of the circulating medium of this country, a plan that seeks to put an end forever to a practice that has discredited and handicapped bank checks, has signally failed to function in providing services which it was created to render.

Bank checks were intended to serve as credit bearers throughout this land, discharging indebtedness at their face value. Shall we rob them of that necessary virtue? They are transfers of credit or transfer orders from a depositor to his bank, directing the payment of definite sums to the payee named, or to his order. For the convenience they have afforded, and the profits to be derived from checking accounts, banks have been responsible for the use of the great mass of checks afloat today. Primarily they were instruments designed for the use and benefit of banks, to escape the transfers of currency from hand to hand, and place to place, throughout the country.

The currency method of payment was unthinkable for the large sums that our commercial transactions represented even in the early days of banking, and thus we see how the check was an instrument born of necessity, primarily invented for the use and benefit of banks in facilitating their own operations, in order to escape the cost of currency transfers coming and going, to avoid the hoarding of vast quantities of currency which cash payments would have demanded, the loss of interest on huge sums of actual money held in bank vaults for that purpose, not to mention the liability of loss through robbery, etc.

To the wide use of checks, in educating the public to the true value of bank accounts, are we indebted in large measure

SEP 9 1921

THIRTY-SECOND ANNUAL CONVENTION

97

for the tremendous banking power that has been built up in this country. Bank checks have truly served a great mission in our country's progress in its banking development; they are the indispensable instruments of trade and commerce, and through the Federal Reserve Clearance Plan operating uniformly and universally throughout our land, these checks can be made the most perfect currency in the world.

With the handicaps removed, with discredit no longer possible, with passports to travel unmolested throughout the length and breadth of our country on missions of helpfulness and usefulness to both debtors and creditors, equipped to perform a higher degree of service than ever before, where is the banker worthy of the name that would deprive checks of these great rights and added privileges, that would deny to the public and commerce the incalculable service that par clearance under the Federal Reserve Plan would afford us?

A VOICE: Time, Time.

President O. M. NELSON: Is there anyone else who has anything to say on this question?

Mr. JAMES S. PETERS: I overlooked just one thing that I wanted to say to the bankers of Minnesota and that was the fact that for the past several months I have looked forward to the Convention of the Minnesota Bankers Association, and I had expected to meet your ex-president, Mr. Dowling, a man whom I loved very much and who was very highly respected in our section of the country.

President O. M. NELSON: Gentlemen, we will now have the pleasure of listening to Lieutenant Governor Louis L. Collins, a man whom we all know and honor.

Lieutenant Governor Louis L. Collins: When you men and women gathered here in Minneapolis I think you expected to see a larger man than I am, addressing you at this particular time. I feel highly honored in being asked to substitute in a small measure for an attorney general. I think it is the first time in the history that a corporal has ever been asked to substitute for a general.

I am sorry that I was not here to keep my engagement with you, but I was down in the district court testifying against a man who was charged with stealing an automobile. I was an

enlisted man in the army, and I hate to testify against a man who was with me in France, and this man was, but I did this with some satisfaction, for the man against whom I testified was an army cook.

We are mighty glad to welcome you to Minneapolis and to tell you that your coming to Minneapolis, over whose city hall the American flag is going to float for two years more—(Deafening applause, rendering the rest of the sentence inaudible.) We are going to have a mayor of Minneapolis who is 100 per cent American, and his name is Leach. He is a fighter. I know because I was in his regiment in France. He will make a mighty good mayor, and he is going back again as mayor two years from now, and he is going to help us keep those other fellows where they belong, in the political discard.

I wish to compliment you bankers of this state on the attitude which you have taken for progressive, sane legislation during the last session of the Legislature. You bankers love the State of Minnesota as we politicians and lawyers love her. We know something about the history of Minnesota and the other states of this Union. We know that things must be changed as we go along. As Minnesota grows, so must we change the conditions in Minnesota, and change our laws.

You bankers believe in reform, you believe in sound, progressive measures, and you believe, above all other things, in the American flag. During the last session of the Legislature you co-operated with some of the rest of us who were public officials in putting across sane, progressive statutes, taking your inspiration, not from the doctrines of Karl Marx, but from the Constitution of the United States.

You know reforms come slowly and will always come slowly. As late as 1840 in this state, black men were sold for money over at Fort Snelling, and that is within the memory of some of your fathers. In 1853 Minnesota became dry for the first time, but it took seventy years to make her dry, at least on the statute books. In 1853 the Territorial Legislature of this state passed the Prohibition Bill. That bill prohibited the sale or transportation of alcoholic beverages. That bill was submitted to the people as a referendum and was adopted by a vote of 646 majority.

The constitutionality of the law was attacked on the

ground the Legislature of Minnesota had no right to turn it over to the people. I must record here that the old City of St. Paul went dry by 56 votes. I am not talking as a prohibitionist. I voted for prohibition, but as a practical prohibitionist I was a failure in the old days; however, I think you will agree that the American saloon is gone and gone for good, and we are glad of it.

But reforms and changes come slowly. Take the discontent in this state, a discontent which we tried to alleviate at the last session of the Legislature, and with your cooperation and the cooperation of other good citizens I think we did relieve the situation. You know when I think of the Non-Partisan League—I do not think there are any Non-Partisan Leaguers in this audience so that I can talk frankly—I sometimes blame the grasshoppers for the Non-Partisan League. You know way back in 1873 there was a great plague of grasshoppers here, and for the first time in the history of this state or any other state, grasshoppers were quoted on the market by the bushel. Those grasshoppers cleaned out the growing wheat in LeSueur County. The plague started there, and it spread to the adjoining counties. Things got so bad that in LeSueur County the commissioners advertised to pay twenty cents a bushel for grasshoppers, and in three days the treasury was strapped. Then the State took hold of it and offered a dollar a bushel for grasshoppers, and the State paid out \$73,000 for dead grasshoppers, but millions of bushels of growing grain were destroyed.

Shortly after that we heard of the old Grange movement, and then the Farmer and Labor movement, and then the Populist movement, then the Non-Partisan League movement. I am inclined to think that some of the things they have asked for have been right. There are some things which must be remedied, and we tried to remedy some of these things during the last Legislature. Wherever we find evils we must strike them out.

I am glad to say that in this good work the women of this state have done their share. At the last session of the Legislature the work of the women was very apparent. They have stood for some of the very best things. They have thought of the health of the children in the state, and they were back of the wonderful Child Welfare Bill, the best law of its kind that ever has been put on the statute books.

What I want you to do is to stand with the men in this state, even though you call them politicians, those men who believe in remedying our present evils, but want to remedy them on the platform of the Constitution of the United States. If you will be with us, we are going to solve the problems that are before us, and we are going to keep the American flag flying over the State for all time.

I know that you bankers are likely to think of the politicians as opportunists, and some of them are. When I think of opportunists I recall a story that I told during the campaign, and some of you may have heard it. You know that a great many of the soldiers in our army hailed from many districts and were of many religions and creeds. I remember in France in 1918 an order came out that any man who was of the Jewish faith could have the twenty-four hour holiday to observe the Jewish festival called Yom Kippur. They posted up a petition asking for a twenty-four hour holiday to observe Yom Kippur, and among the signatures in one regiment were the following names: Casey, Holloran, Grady, O'Brien, Nelson, Hanson and Collins. I think with the assistance of you men, you good citizens of this state, that we are going to have fewer opportunists in the Legislature and the state offices than in the past.

I wish to make an appeal to this organization to co-operate with that great patriotic organization, the American Legion. In the American Legion you will have the nucleus of an organization which will do more for America, in my opinion, than any other organization which has been perfected. You men know and I, as an enlisted man in the army, know, that there were bad soldiers, there were men who were bad citizens in the army, there were bad officers, but those things are going to work out with the help of the American Legion.

So in this country we are going to instill more of the thing that we need in this country and have needed for years and that is, patriotic sentiment. I was in the French army before I was in the American army, and I believe that the reason that France stood out as she did for five years, bearing the very brunt of that conflict for civilization, was because she was patriotic. A man was a Frenchman before he was a Socialist:

over here in America, I am sorry to say, a great many of the Socialists are Socialists before they are Americans.

I remember one time while our front was near San Quentin in France that we went into a cafe with a number of French soldiers, and I confess that we were drinking what is known as "vin rouge." You could not buy much *vin rouge* on the pay of a French soldier; he got five cents a day, and it took three day's pay to buy a package of cigarettes. Some of the French soldiers got to their feet and sang the International Socialist song. We stood at attention and sang the *Marseillaise*. The Socialists who had sung the international song then sang the *Marseillaise* with much more enthusiasm than they had sung the international song. Here in Minnesota you will hear the Socialists singing socialistic songs rather than the National Anthem. Those men gave their all for France, and they were not ashamed to show their patriotic sentiment. I have stood at the grave of an ordinary French *poilu*, a private of the French army, and have heard a major general of the French army preach the funeral oration over that grave.

We need more patriotic sentiment in this country, and if you encourage the American Legion you will encourage more patriotism in this country. I hope that in this Americanization fight you will go into it enthusiastically and hold up the hands of the men who are trying to fight this fight. Do not be afraid to mix in politics. Go out and fight for the things that are right, but do not do it with the enthusiasm of the colored boy that I heard about in France.

This doughboy was not very enthusiastic. He was a member of the mopping-up crew, who had to clean out the dugouts after the main body of the troops had gone by. He was with a captain and a corporal. They came to a dugout. The captain said to the doughboy, "Rastus, you go in and get those Germans," and he said to the corporal, "You stand at the door and shoot every man that comes out." Then the captain turned away.

The doughboy scratched his head and turning to the corporal said, "Did I done understand the captain rightly?"

The corporal said, "How did you understand it?" "As Ah understands it, he told me to go in there and get those Germans."

"That is the way I understood it."

"That is all right, but ah understands that you are to stand at the door of this dugout and shoot every man that comes out."

"That is the way I understood it."

"Well," said the Joughboy, "Ah's a soldier, and Ah has to obey orders. Ah is willing to do my duty, but, for the sake of the Lord, if more than one man comes out of that there dugout, don't shoot the first man out."

PRESIDENT O. M. NELSON: Well, I don't think we have missed the general so very much after all. We have had a pretty good time with the corporal, and we want to thank him very much for his patriotic message given to us today.

There seems to be no members of the Entertainment Committee here, and the announcements will be made tomorrow in ample time. The afternoon session may stand adjourned, and we would like to have the members of the American Bankers Association who are present remain and come forward.

Meeting of the Members of the American Bankers Association.

The meeting of the members of the American Bankers Association was called to order by Mr. C. L. Swenson, Vice-president for Minnesota.

MR. C. L. SWENSON: The members of the A. B. A. will kindly come forward. We will have a short meeting and elect a few members of the American Bankers Association; it will take only a few minutes.

The first member to be elected is a member of the Executive Council to succeed Cliff W. Gress. What is the pleasure of the Convention?

MR. J. J. PONSFORD: I would like to suggest for this member of the Executive Council Mr. C. H. Draper of Wells, Minnesota.

MR. D. D. DEVINE: I second the nomination.

Mr. F. A. GROSS: I move that the nominations be closed and that the Secretary be instructed to cast a ballot for Mr. Draper.

(The motion was seconded.)

The CHAIRMAN: All those in favor of Mr. C. H. Draper as member of the Executive Council signify by saying aye, those opposed, no. Mr. Draper is elected.

The next office to be filled is that of Vice-President for Minnesota to succeed myself, C. L. Swenson. Whom shall you have for your next Vice-President.

Mr. F. A. GROSS: I put in nomination Mr. D. D. Devine of Albert Lea.

Mr. C. L. HANSON: Second the nomination. I move that the nominations be closed.

(The motion was seconded.)

The CHAIRMAN: All in favor of D. D. Devine for Vice-President say aye, those opposed, no. Mr. Devine is the next Vice-President.

Next is a member to serve on the Nominating Committee. I would like to say, and I believe it has been made plain at the meetings, that whoever accepts that should be in a position to attend the meeting which is to be held in Los Angeles; so anyone whose name is presented for this office should be in a position to go.

Mr. L. A. LAMBERT: I place in nomination Mr. E. L. Mattson, of Minneapolis. I understand he is going to the meeting.

Mr. F. A. GROSS: I second the nomination of Mr. Mattson, and I move that the nominations be closed and that the Secretary cast the ballot for Mr. Mattson.

The CHAIRMAN: All in favor of the motion say aye, those opposed, no. The motion is carried.

Secretary G. H. RICHARDS: The ballot has been duly cast.

The CHAIRMAN: Now, we will have to elect an alternate number of the Nominating Committee.

A MEMBER: I nominate Mr. C. A. Chapman.

Mr. CHAPMAN: I could not serve because I shall not be there.

Mr. D. D. DEVINE: I move the delegate be allowed to select his own alternate.

The CHAIRMAN: I think the alternate ought to be elected here.

Mr. E. L. MATTSON: I suggest that anyone here who is going to be there at the Los Angeles Convention will rise.

Secretary G. H. RICHARDS: I heard Mr. J. B. Galerneault of St. Paul say that he expected to go.

Mr. D. D. DEVINE: I nominate Mr. Galerneault.

(The nomination was duly seconded.)

Mr. D. D. DEVINE: I move that the nominations be closed and the Secretary be empowered to cast the ballot for Mr. Galerneault.

(The motion was duly seconded and carried, and the Secretary announced that he had cast the ballot for Mr. Galerneault.)

The CHAIRMAN: Mr. Galerneault will be the alternate for Mr. Mattson.

The next will be Vice-President for Minnesota of the following A. B. A. sections: Trust Company Section, Savings Bank Section, National Bank Section, and State Bank Section.

I will first hear nominations for the Trust Company Section.

Mr. A. G. WEDGE: I nominate Mr. A. B. Whitney.

(The nomination was duly seconded.)

Mr. F. A. GROSS: I move that the nominations be closed and that the Secretary cast the ballot.

(The motion was duly seconded and carried, and the Secretary cast the ballot for Mr. Whitney.)

The CHAIRMAN: The Secretary has cast the ballot for Mr. Whitney as Vice-President of the Trust Company Section.

Savings Bank Section, whom will you have as Vice-President for the Savings Bank Section?

Secretary G. H. RICHARDS: I nominate Mr. W. F. McLane of the Hennepin County Savings Bank.

Mr. A. G. WEDGE: I second the nomination, and I move that the nominations be closed.

The CHAIRMAN: The nominations will be declared closed. All in favor of Mr. McLane will say aye, those opposed, no. Mr. McLane is elected.

National Bank Section, Vice-President for the National Bank Section?

Mr. E. L. MATTSON: I have not any particular candidate in mind, but I want to say that at a recent meeting at Pinehurst they were very much concerned in having a Vice-President in each state, that would be interested. I will place in nomination Mr. J. H. Ingwerson of Duluth. He is a man nationally known, and I would like to see him made Vice-President.

Mr. F. A. GROSS: I second the motion and move that the nominations be closed and that the Secretary be empowered to cast the ballot for Mr. Ingwerson.

(The motion was seconded and duly carried.)

Secretary G. H. RICHARDS: The ballot is duly cast.

The CHAIRMAN: State Bank Section?

Mr. A. G. WEDGE: I nominate Mr. F. A. Gross for Vice-President.

Mr. E. L. MATTSON: I second the nomination and move that the nominations be closed and that the Secretary cast the ballot.

(The motion was seconded and carried, and the Secretary announced that the ballot had been cast for Mr. Gross.)

Mr. F. A. GROSS: I thank you.

The CHAIRMAN: That closes our meeting.

MORNING SESSION.**Friday, June 24, 1921.**

President O. M. NELSON: The Convention will please come to order. Ladies and gentlemen, the question of business economics and business conditions is one that affects vitally the State of Minnesota. I believe that we all realize that we cannot bring prosperity to our own footstool, bring it to our own home, unless prosperity obtains in the countries with which we trade. The question of business conditions is a most interesting and important one at this time, for the reason that the period through which we are just passing, is absolutely one without precedent.

I am pleased this morning to have the privilege of presenting to you a gentleman who has for a number of years been a close student of economic conditions, a gentleman of highest authority, a gentleman who has been a professor in political economy in the great universities of Harvard and Columbia. I take great pleasure, gentlemen, this morning in introducing to you the principal speaker of the day, Dr. B. M. Anderson, who will speak to you upon the "Outstanding Factors in the Business Situation." Dr. B. M. Anderson of the Chase National Bank of New York City will now address you.

Outstanding Factors in the Business Situation

Address by Dr. B. M. Anderson, Economist,
Chase National Bank, New York.

Mr. President, Gentlemen of the Convention, I extend my sympathy that you have to listen to a rather closely reasoned analysis on such a very hot day. It is not a pleasant prospect.

Going through the portfolio of the Chase National Bank sometime ago, I came across a note for \$104, signed by John Wilheit and Lizzie, his wife, secured by a chattel mortgage on Mollie, Mollie being a mare mule, sixteen hands high, five years old, and broken to single and double harness. Now, a bank with five million dollars of resources in Wall Street is

not supposed to make loans of \$104 very often, and is not supposed to lend on collateral security of a mare mule resident in the State of South Carolina; but this note was there.

What had happened was very simple. We had loaned \$100,000 to a bank in South Carolina. They had sent us as security a stack of collateral that high (indicating), made up of small receivables they had taken from their local customers. I looked through the pile with great interest. The biggest note in it was for \$2,000, the next was \$700, and practically all the rest were under \$300, and attached to those notes in most cases were these chattel mortgages, chiefly on work animals and other livestock and machinery, things of that sort of the local customers. The names on the notes were good old American names that brought back to me a picture of my old home in the Blue Grass region of Kentucky:—Kirby, Dickman, Macalester, Young and other names of people that came from England and Scotland and Ireland, an old-fashioned American community.

In that same portfolio one sees also every imaginable kind of commodity represented; your grain, flour, steel, the coal of Pennsylvania, cotton from the South, rubber and indigo, and every imaginable article of foreign commerce, goods coming in and goods going out, as well as, of course, loans based on securities of almost every kind.

A great bank in a central city is a sort of listening post. As you watch the changes in the portfolio of the bank you see the shifting of the paper from one kind of thing to another. You can detect more quickly than in any other way the changes in the currents of trade, ups and downs in trade. As you watch it, you sense very quickly the various movements.

Items like this come up. Just after the armistice we were swamped with small currency, appearing in ones and twos and five dollar bills, sent in by our correspondents from all over the country. One day I remember some half a million dollars in one dollar bills uncounted at the end of the day, although the clerks in the currency department had been working two or three hours over time. It was the first intimation I got of the easing of money and of the liquidation that followed the armistice.

Of course there comes to us news from every quarter, all sorts of information and misinformation from various places.

I thought perhaps the best symbol might be that of the position which a friend of mine occupied during the war. He was in charge of a high-power radio station which gathered up messages from all over the Atlantic, messages of German submarines signalling their home posts, British destroyers signalling one another that the submarine was signalling; the whisperings of the sea all came to a focus in that high powered station. Something of that picture, something of that opportunity, we have in a bank in the economic center or financial center of the country.

We get a very impressive sense of the economic unity of the country. The manufacturing sections cannot prosper when the South cannot sell cotton or when the Northwest cannot sell grain or wool. The Northwest cannot sell grain or wool so readily when the manufacturing sections are not making money; the whole thing is tied together. And similarly we see the intimate relations of our own conditions with those of Europe.

One other thing has impressed me very much since I got down to Wall Street about three years ago. As your President said, I am an escaped university professor, turned banker, and the novelty has not worn off yet. I have been studying the personalities of Wall Street, trying to get a line upon them, and one thing that is very striking is that most of them did not start there, most of them came from somewhere else. There are men who came from New England, from up-state New York, Pennsylvania, from Texas, from this part of the world. The same is true of most of the institutions there, the men in them come from all over the country.

Another illusion that is very quickly dispelled when we get on the inside of Wall Street is the idea that there isn't any such thing as Wall Street opinion or Wall Street policy. There are shifting groups, there are democrats and republicans, here and there a single-taxer, or a socialist even. There are men of all religions, men of all points of view, and there is no such thing as a solidarity of autocratical control that the radical papers like to talk about. There are just human beings of many minds that happen to be working in the same district, on the same general problems. The center of our economic situation is about 4,800 miles away; it is on the other side of the Atlantic, and it has been there since 1914.

I want to run over very briefly the development since 1914, leading up to where we are today, before going into the matter of what we can do to get out of the embarrassments that harass us. This brief analysis of the past six years will center about the history of commodity prices.

When the war broke out in 1914 we had a violent break in the stock market; those securities, especially, which were held abroad, poured in on us in almost limitless amounts. We had to close the stock exchange and keep it closed for several months. Commodity prices, on the other hand, changed very little at the outset of the war, that is the average, the index number, based on an average of some two or three hundred commodities.

Cotton dropped violently, and the South has a sort of im-personal grievance in the fact that they caught it. As one of our southern friends said, they caught it "coming and g'wan," a break in the beginning and at the end. The grain felt a stimulus from the European War; vigorous speculation in wheat before the rise began almost as soon as the war broke out. Shoes also felt early in the fall of 1914 an upward movement. But in the general average there was not much change, just a little lift, and during 1915, on the average, there was not much change in commodity prices. What happened was this: We were in a state of stagnation, comparative stagnation, even before the war came. Europe had been afraid of war for three or four years. Europe had consequently been contracting, the great banks of Europe had been accumulating gold, and Europe was not loaning us any money. We had been accustomed in our expansion to rely upon Europe to loan us money to build up our industries and get new capital, but, following the panic of 1907 and the depression of 1908, we did not get it from Europe. You may remember that we had nothing in the nature of a real boom after the panic of 1907 down to the war. That found us without sails reefed, loans not much extended, everything shipshape, and industry going along in a very leisurely fashion.

With the outbreak of the war we had an acute crisis and depression, and then when the demands from Europe for war purposes came on us they found a great deal of industrial slack, and the first effect of the importing of gold and the great

demands from Europe for our goods was to quicken industry. We began to expand to increased production, but we did not raise prices much.

Now, that went on through 1915, and by the middle of 1916, the slack was pretty well taken up. Prices rose only about 5 per cent during 1915; by the middle of 1916 they had gone up about 19 per cent above pre-war levels. Then from the middle of 1916 until the middle of the next year, 1917, when we were in the war, there was a very rapid upswing of prices to something like 85 per cent above pre-war levels.

Let me visualize the thing this way. Imagine a rubber elastic; Europe has hold of one end, and we have hold of the other. Now, let the tension in the elastic represent prices. You start with the elasticity high, and you can stretch it a good deal without much increase in the tension. Then you keep on stretching it, and you reach the limit of elasticity, and every extra quarter of an inch means an enormous increase in the tension. Europe bidding higher and higher to get our goods, we bidding higher and higher to keep them here, no possibility of increasing the amount because we have already reached the limits of our production expansion, and as they keep on pulling, the tension gets worse and worse, until Europe finally lets go, and it is the rebound that has hit us.

In 1917 we reached the peak of prices, about June or July, and then various policies which we introduced in the country, of economy, price fixing, rationing out supplies of different kinds, held prices down until the middle of the following year, 1918, not much increase. Then we raised railroad rates. In connection with the raising of railroad rates there was a substantial uplift of prices, 106 per cent above prewar levels. That was the peak before the ending of the war.

With the Armistice prices broke again. We all anticipated that Europe was going back to work, and that our soldiers would come back to work, and that production would increase greatly the supplies on the American market, and prices would do down. Well, they started down. Bradstreet Index number showed a decline of about 10 per cent. Dunn's Index number showed a decline of about 8 per cent, but in April of 1919 the tide turned, prices held steady, and then in May and June a great boom started that carried them above the pre-war levels.

Now, why was that? If we can get hold of the explanation of that, we have gone far to understand what is the matter now. First, Europe did not go back to work. Europe was far more demoralized by the war than we thought. The currencies of Europe were rotten, the continent I am speaking of now. They had got off the gold standard and they could not get back, and their paper money was fluctuating in value up and down. A business man cannot do business with you if he does not know what your money is going to be worth next week, next month or six months hence. How can you safely make contracts running in terms of that fluctuating money? If the people expect that the money is going to be worth less tomorrow or next week than today, they will not save the money, they will spend it, because it will buy more today than next week. Economy gives way to extravagance, and business gives way to speculation. Europe has been doing just that thing ever since the Armistice, and having just that trouble ever since the Armistice.

The worst single thing, from an economical point of view, that is bothering them today, is the fluctuating, depreciated paper money of continental Europe, divorced from the gold standard; and the most important single thing today in restoring sound conditions in the world is to get Europe back to stable money conditions, back to the gold standard,—and when I say that, I appreciate the impossibility of bringing most of the Continental currencies back to par.

You cannot bring the German mark back to par. It is worth a cent and a third, or a cent and a half. Before the war its value was 23.8 cents. They can redeem it for a cent and a quarter in gold, if the Allies will leave them the gold, and by doing that, stabilizing it at a cent and a quarter, they could get rid of one of the obstacles. The same thing could be done in France, Italy and other countries, and a stable currency worked out.

Over and above that, the peoples of Europe have not been in a hurry to go back to work. Industry has been demoralized, and it is being supported by the Government, and they have been borrowing money from us to support it with. Officials increased enormously. It would interest you to know they have now in the German railway service just about twice as many men as before the war. They have got an eight-hour day

where they did not have it before. They have a law which requires that every railroad man should sleep in his own bed every night, with the result that he cannot get more than four hours away from home every trip. The consequence is that the engines burn up coal for two hours that they would not need to be burning, and the German government is paying them by printing bank notes. The European countries have been building up gigantic deficits. In Germany I think the deficit ran about 78 billion marks last year, in France the deficit was between 36 and 39 billion of francs last year, and in Italy about 13 billion lire and so on. Those were the conditions, those have been the conditions since the Armistice, and that has been the basis on which we have been loaning money to Europe since the Armistice.

Our trade balances with Europe, that is the excess of exports or imports, were running about \$248,000,000 a month in the ten months preceding the Armistice. After the Armistice that shot up. Our trade balance was \$409,000,000 in January of 1919, 442,000,000 in April, 1919, \$625,000,000 in June, 1919. In June we sent out about a billion dollars' worth of goods in one month, and got back only enough to reduce the balance to \$625,000,000.

I do not know whether those figures carry a definite meaning. They are gigantic figures, but it meant, of course that Europe was monthly increasing her debt to us by those amounts. Six hundred twenty-five million dollars in one month is pretty heavy borrowing.

Now, they paid for that during the first half of 1919 by funds drawn from the United States Government Treasury. The Government was lending Europe all she wanted out of that \$10,000,000,000 that Congress had authorized which went into the coffers of Europe. The expectation was that they would use the money for rehabilitation and restoration of their industries. Instead of that they bought chiefly foods and manufactures, ready for consumption, consumption goods. Only about 20 per cent of all that has been sent to Europe since the Armistice has been raw material, things she ought to have to start her industries growing. Also 80 per cent of it has been stuff ready for consumption.

Money has been spent for manufactures ready for consumption, for luxuries, upon an appalling scale. There was

one instance that came to my attention in 1919 that made me heartsick. One New York house exported to Paris,—not imported from Paris, but exported to Paris,—in a two months' period, \$600,000 worth of objects of art. Think of that. The transaction was financed in this way.

Bills were drawn in New York on Paris, that is, bills running in francs. Now, the French Government, through a New York banking house, was protecting the French exchange by buying all bills offered. The French Government got the money to buy all these bills in francs by borrowing the money from the United State Treasury. They borrowed this from the United States Treasury, and turned it over to the banking house in New York that represented them. The banking house bought these bills in francs, thus enabling the objects of art to be exported to Paris. Then the French Government took the bills and cashed them at the importers, and turned them into the United States Treasury or spent it for unemployment, I suppose, or whatnot. That was what they did with our money and that was the basis on which we built this prosperity which we enjoyed so much in 1919.

Following June of 1919, the Government practically quit making any further advances to Europe, and we thought that we would see the end of the boom. We thought that sterling and franc and other exchange rates would break violently, which they did, that Europe would quit buying from us and that we would have thrown on our market something like four or five million dollars' worth of goods that we had not been absorbing, that our prices would break and that we would have a reaction.

But a new element entered. We found that the credit of London was pledged for the benefit of the continent. When the American Treasury stepped out and quit upholding the fabric of continental credit, London stepped in, and London is good, was good and is good today. London is net creditor to the world today. She owes us an awful lot of money, but the world as a whole owes her more, leaving out what the continent of Europe owes her. She has investments all over Asia and other continents, and on both long and short time obligations London is the creditor of the world.

But when you consider simply her quick assets and her quick liabilities she is heavily "in the red." That is the reason

for the condition of sterling exchange today. The continent, wishing to continue buying from us, looks to London to get the dollars with which she would pay. Then London, on a great scale, borrows the dollars from us. Partly the borrowing was direct from American banks by London banks, partly American banks giving credit to British and continental importers on the guarantee of London banks, and to some extent French banks and other European banks, and to a much greater extent American exporters and manufacturers continued to send goods over there on open account, on some kind of London guarantee usually, though not always, by any means. The goods kept on going to Europe on unfunded debts and open account debts of Europe to the United States, to private creditors in the United States of appalling magnitude.

I figured it out with some care in September of last year and estimated at that time that over and above the ten billions Europe owed our Government, and over and above the two billion odd they owed to private investors who had bought European securities, there was a further sum of three and a half billion dollars which Europe owed to private creditors in the United States on open account on unfunded credit. And since September, the amount has increased by, I should suppose, at least a billion dollars, and that open account debt today would stand about four and a half billion dollars.

There is what I would consider the basic cause that has produced tight money in the United States, because an appalling amount of that got into the banks, part of it directly, more of it indirectly. As manufacturers and other business men tied up their working capital in advances to Europe, they came back to their banks to borrow from them new lines of credit, or loans they needed to replenish their working capital. Bank loans expanded about 25 per cent from April, 1919, to April 1920, a bigger increase than any war year; there was a terrific upswing.

At the same time we were losing gold to the non-European world, because we were buying more from the non-European world than we were selling to them. We were not able to draw on Europe, so that Europe could pay the non-European world for what we were buying from them. Money got tight, and it was perfectly natural that it should get tight.

The first thing that disappointed the expectation follow-

ing the Armistice was the enormous liquidation which went with the terrific outpouring of goods to Europe due to the fact that Europe had not gone back to work. The second thing that we did not anticipate was the continuance of Government expenditures. It may interest you to know that the United State Government has spent more money since the Armistice than it spent during the war. Several months after the Armistice they were spending at the rate of two billion dollars a month, which was about the maximum that had been reached during the war. They spent about twenty billion dollars during the war, and they have spent something over twenty billion dollars since.

You have got to put pressure on Washington to get economy. We cannot stand it. Governmental expenditures have got to come down. The Government shipbuilding went on. No private enterprise would have gone on building ships after the Armistice as the Government did. It is a striking illustration of the dangers of having public enterprises. They built ships, not because they expect them to pay, but because they were building ships, because they had an organization, and they liked to build ships.

The chief result of that enormous shipbuilding has been that we have ruined the business of our European customers who were already in the shipping business and who, by carrying goods at remunerative freight rates, would have earned some money with which they might have paid us what they owed us. Now, we simply messed up the whole thing for them and for us.

The third thing that has been disappointing was the fact that with the return of the four million soldiers from the army and their absorption into the industrial world, we produced less goods in 1919 than we did in 1918 when those soldiers were in the army. That is an astonishing fact, but the evidence is clear. Take the figures of the railroad traffic in ton miles showing the production of copper, wheat, and a great variety of commodities and manufactures of various kinds, and it is clear our production went down. It went down in physical units; in dollars it probably went up, but in physical units it went down. We had a depression early in the year, and then when we got to going again we had a series of terrible strikes, which created demoralization. Our railroads got congested,

things could not move, and the demoralization of industry, despite the rapid pace of it, curtailed production.

Then the fourth thing was the relaxation of wartime economies. Our people, who had been economical during the war, became wildly extravagant in 1919 after the war. So during the greater part of 1919, we had four causes which conspired to create high prices: One, the great export of our goods to Europe; two, the continued Government expenditures; three, the reduced domestic production; and, four, the increased domestic consumption,—all making for greater scarcity of goods, and soaring of prices. Then the thing was accentuated by speculative activity,—speculators anticipating high prices, holding goods out of the market and making artificial shortages.

The thing was, of course, as unsound as it could be. Those of us who were watching it closely were apprehensive all the way through. Personally I feel very much better about the business outlook and the business future than I felt in December of 1919, because then I didn't know where it was going to stop. All I knew was that the longer it went on the worse the awakening would be. Now, we have had the awakening, we have been through the smash-up, we know where we are, and we are "busted." We can build up again. This is the basic difficulty remaining from the standpoint of the world situation today.

Economic life can go on smoothly, easily, profitably, so long as things are produced in right proportion. If you have manufactures, raw materials, food and the like, all produced in the right proportion, things go on smoothly.

Now, we had that equilibrium before the war, the war has broken it. Europe has been removed from her place as the world's great market for raw materials and as the world's great producer of finished manufactures, and as the world's great market for foods; in part, Europe has been removed. The result has been a relative scarcity of finished manufactures and a relative abundance of foods and raw materials. Particularly is that true of the raw materials.

You may not know that rubber, which before the war was selling at around a dollar a pound, is now selling at around seventeen or eighteen cents a pound. Wool, cotton, a great variety of other raw materials are piling up in excess. Europe

cannot take them. Europe has got more cotton now than she can stand. The price of cotton in Liverpool is below the New York price. It has paid several times during the last six months to buy cotton in Liverpool, bring it back to New York, and sell it there, because the price in New York was enough higher to pay the freight and transportation charges. That thing has been done.

Raw materials poured in on us from all over the world because Europe could not use them. The world looked to us to work up the raw materials and send back finished materials, but we did not have the capacity. Then as a consequence, the prices of these manufactures soared so high, and manufacture costs went so high at the same time, that raw material prices began to break, break, break, that the producers of raw materials could not buy the relatively scarce manufactures, and then the factories had to close down.

When you get a break in the equilibrium, then everything suffers; we have got to restore that equilibrium. To get really good business in the world again, to get really good business in the United States again, we have got to get Europe going as a manufacturing concern, buying raw materials, working up raw materials, and sending us finished manufactures. She has got to pull herself out of the mud and pay her debts.

Gentlemen, there is no absurdity quite so absurd as the proposals being made of putting up a high protective tariff against European countries. If you want to help conditions, you had better put the soft pedal on that thing. If you want your customers to have money to do business with, and to have money to pay with, you must let them do business.

There is no longer in banking circles in New York any illusion about the things we used to talk about and call protective tariff or tariff for revenue only, democratic or republican policies,—there is no talk about them any more. In these changed conditions the old propositions do not apply. We know that Europe is owing us sixteen or seventeen billion dollars, that she cannot pay it unless we send her goods, she cannot pay it unless she can send her goods to us, and if you put a barrier in the way, it is a pretty hopeless mess.

There are some hopeful things in the European situation. Briand, the Premier of France, has expressed himself

vigorously recently that Germany is showing good faith. Radtke, the Minister of Reconstruction of Germany and Loucheur, the Minister of Reconstruction in France have got together and talked it over. When they have economic ideas to take the place of political hatred over there, they will all be better off. We cannot any longer dwell in a dreamland with an impoverished Germany to pay the debts of all Europe. Germany has got to be saved the same as the rest of the countries.

The question that concerns us most here at home is: What are we going to do in the meantime? Have we got to wait for Europe to get on her feet before we can have any better business? I am satisfied that we can have better business in this country without waiting for a European revival, if we will complete our domestic readjustment. We cannot have good business in the United States until Europe gets on her feet, but we can have a great deal better business than we have now before Europe gets on her feet.

Our general credit situation is exceedingly strong. We have had tremendous losses and breaks in prices, from 227 per cent to 115 per cent is what Bradstreet figures show, since February of last year. That tremendous downward movement in prices inevitably hits a lot of people pretty hard. And yet these losses have been diffused over the country in an amazing fashion. There were great surpluses accumulated by businesses during the period of prosperity to stand the shock. A good \$16,000,000 was taken out of earnings and turned back to the surplus account, beginning 1915, so that the businesses have been able to sustain the losses that have come since. That is what surpluses are for.

The banks, organized under the Federal Reserve, have functioned with amazing efficiency in extending credits liberally, to enable men to turn around and meet the shock of readjustment. There were no unnecessary insolvencies. Every solvent business man could get the credit that he needed. We have avoided a panic. The difference between a crisis and a panic is this. A crisis is a period of adjustment and liquidation, sometimes drastic, sometimes painful, but it is orderly. In a panic the strong man is pulled down with the weak man. Solvent men who are perfectly good if they have a little time to turn around are pulled down with other men who are defin-

itely insolvent. We have had no panic, the solvent business man has been able to borrow.

Despite the strength of the credit situation, however,—bear with me if I refer to a manuscript here because I want to say exactly the thing I want to say and I do not want to be misunderstood,—business stagnation is very great; and while some lines are improving, other important lines, notably steel, are on the down grade. There is a great deal of unemployment, and a great deal of work on part time. Profits also are dwindling. Every day that this continues makes the general situation less satisfactory, since it cuts under the buying power of the public, making further readjustment necessary. It is highly essential that something be done to break the deadlock and to start activity again.

Now, the thing that we have got to reckon with is that this is subnormal, it is much too low. The buying power under ordinary conditions, the consuming power of the American public, the hundred odd millions of people in this great and rich country, is enormously great, even in periods of depression. And both consumption and production in the United States today are much below what they need be if certain domestic obstacles can be gotten out of the way, that is, if we can complete our readjustment.

The thing that is needed is a leveling down of certain elements of prices and costs which have so far most resisted the general downward move. We must restore the price and cost equilibrium. The greatest resistance to readjustment has been in retail prices; steel and its produces; building materials; wages, especially in the building trade and on the railroad; finished manufactures, as compared with raw materials; and railroad rates on bulky articles. When these things shake down in line with the general price decline, a substantial general revival should speedily follow and a real building boom is probable. From a boom in the building trade, activity in many other lines would grow.

Now, this leads to the question of what the banker can do in facilitating a revival of business. We have, on the one hand, the clamor for more abundant bank loans and cheap money rates. Cheaper money is desirable when, and if, it comes naturally, as a consequence of the liquidation of loans

and the accumulation of funds in the banks through liquidation. Artificially cheap money as a substitute for real capital is undesirable. Those who are urging most vigorously the policy of easy credits seem to want them for the purpose of delaying liquidation and delaying readjustment. The chief idea seems to be that if goods can be withheld from the market, they can be sold at a later time for higher prices.

In other words, the call is for bank money to be used for speculative purposes. We have had enough of that in recent years. We must get down to bed-rock and fundamentals, and strike a level of prices and costs which the market will trust and on the basis of which goods will move. We must not make loans which will permit the withholding of goods from the market. We should, on the other hand, make loans freely to those solvent business men who have markets in sight and who want funds to produce goods for their markets.

To illustrate the thing, let me take a case. We had calls for funds last winter from people who wanted to hold corn out of the market and from people who wanted to hold fat cattle subject to higher prices. The matter came to my notice. My recommendation was this: No money to hold corn out of the market, no money to hold fat cattle from the market; make bank loans to get lean cattle and corn together. Lean cattle were being sold, the cattle, herds that ought to be kept together were being separated. The farmers were holding corn, they were not going to feed. The thing was to get cattle and corn together under the hands of a man that knew how to feed corn, and you know that not everybody knows how to feed corn to cattle.

A sound view of bank policy in promoting business revival would be, I think, the reverse of the easy money, liberal credit policy, which so many are proposing. During the crisis, bank credits were extended with great liberality. It was absolutely necessary that this be done in order that a panic might be averted. It was not easy to discriminate between the businesses which were solvent if they had time to turn around, and the businesses which were really insolvent. Moreover, it was uncertain as to how far it was safe to force the bankruptcy of really insolvent concerns in view of the uncertainty as to who their creditors were and as to what solvent businesses might be pulled down with them if the pace were made too fast.

The danger of a money panic is over now. The credit system has proved its strength. Moreover, the last few months have led to an accumulation of an immense amount of accurate credit information. The banks of the country know, as they have never known before, the condition and standing of their customers. They know where the strength is, and they know that, on the whole, the situation is immensely strong. They know, on the other hand, where the weak spots are, and they know with accuracy and precision just how weak they are. They know which concerns can really pull through and which ones cannot. They know which of their customers are maintaining prices that are too high and are borrowing money in the vain hope of avoiding losses through later improvement in prices.

It is possible, therefore, for the banks today to do what they could not have done with safety three or four months ago. They can safely and intelligently put an additional pressure in the direction of liquidation. We can now recognize that, in averting a panic, we have taken care of too many weak concerns. We have slowed down the readjustment too much, as we have lessened its severity. The time has come, in the interest of the country as a whole, to put on additional pressure on the weak spots, to clean up the wreckage, to clear the decks, and to get ready for the next upward move. Nothing so begets confidence in the markets as a knowledge that through forced liquidation of substantial stock of goods, bottom prices have been reached. Nothing will so promote the revival of business activity as the creation of the open, competitive markets which such a process involves.

Those markets which have kept most actively competitive have seen their worst. Forced liquidation in wheat, for example, brought low levels a good many weeks ago. The wheat market has had very substantial improvement since. The same appears to be true in silks and in other lines. Those industries which have delayed their readjustment longest have done themselves harm and have done the country harm. The existing stagnation, with the steady pressure of overhead charges and with the steady curtailment of the buying power of the public, is much worse than the losses which prompt readjustment would involve.

The duty of the banker under these circumstances is clear.

He should not be party to policies which will continue the stagnation, and he should not lend the funds to enable short-sighted men to delay the recognition of inevitable facts. We can have substantial business revival in a reasonably short time if we will force the pace of readjustment faster.

Now, gentlemen, don't let customers tell you that they cannot reduce prices because they cannot reduce costs. There is nothing sacred about the cost of production. Cost of production when you take the business situation as a whole, is the reflections of prices, and not the causes of prices.

I was down in the West Indies eighteen months ago. I found the sugar planters in Saint Kitts, Dominica and Saint Luccia complaining about the rising cost of raising sugar. They said their negroes were asking a shilling a day during the planting season. They got ten cents before. The planters had hard work to keep them because the men were attracted to Cuba. In Cuba the cost of negro labor had gone up to four dollars a day, but the sugar market broke, and I understand they are getting now a dollar a day.

Our southern friends tell us that it costs thirty cents to produce cotton. If you figure in the value of the land on the price of the cotton, you can make anything you want to on that basis. If you take your prices and figure your profit on the land and your value of the land and charge interest on the land, you can make the cost pretty high. This year cotton in the South is the cheapest that it has been in twenty years. You can scale costs down, and the manufacturer that is not going to do that will lose money. The quicker you do it the better. I thank you very much.

Mr. C. A. CHAPMAN: I think we owe Mr. Anderson something more than applause for this address. While there may be some differences of opinion in the reference to the readjustment of rates by the Federal Reserve Bank, which can have at the present time with the scarcity of funds no other than a political value, aside from that I think the address is one that should be accompanied by a vote of thanks, and I suggest that it be a rising vote.

(The motion was seconded.)

President O. M. NELSON: The motion is upon a vote of thanks to Mr. Anderson for his masterly address.

(All rise.)

President O. M. NELSON: Gentlemen of the Convention, Mr. Paul Leeman, Chairman of the Entertainment Committee, desires to make an announcement.

(Mr. Paul Leeman then announced the entertainment at the Automobile Club in the afternoon and evening and the time of the trains. The Secretary then called attention to the time that it would be necessary to return in order to make the Yellowstone Park trip.)

President O. M. NELSON: The next order of business will be the report of the Committee on Resolutions, Mr. Will Wilke, Chairman.

Mr. WILL WILKE: Mr. President, Ladies and Gentlemen of the Convention: The following resolutions were read before you yesterday and are now presented to you by your Committee who ask their adoption. Coupled with the reading of these resolutions in each instance, will be presented a motion for adoption. I want to ask you to accept this:

"We hereby reaffirm the position of this Association previously taken in favor of the deepening of the channel from the Great Lakes to the Atlantic Ocean, known as the Great Lakes-St. Lawrence Tidewater project, and pledge our continued support to this great movement."

I move the adoption of this resolution reaffirming our former position.

President O. M. NELSON: You have heard the resolution and the motion for adoption. The motion has been seconded. The question is on the adoption of the resolution. All in favor of the adoption of the resolution say aye, contrary, no. It is carried.

Mr. WILL WILKE: "The appreciation of this Convention is expressed to the Minneapolis Clearing House Association, and others, who have co-operated and helped to make this, the thirty-second convention, a very successful and enjoyable gathering, with its excellent program."

"RESOLVED, that the Minnesota Bankers' Association is opposed to the coinage of two and two and one-half cent coins." I move the adoption of this resolution.

(The motion was seconded, and, upon being put to a vote was duly carried, and the resolution was adopted.)

Mr. WILL WILKE: "Resolved, that this Association is opposed to the repeal of the existing Two Thousand Dollar exemption applicable to corporations under the Federal Income Tax Laws." I move the adoption of this resolution.

(The motion was duly seconded.)

President O. M. NELSON: The question is as to the adoption of the resolution. Are you ready for the question? All in favor of the adoption of the resolution manifest by saying aye, opposed, no. The resolution is adopted.

Mr. WILL WILKE: "Realizing the importance to the grain growers of the Northwest and elsewhere in the states of raising the basic price of wheat, in order thus to increase the quantity of wheat grown throughout the various wheat districts; believing that the financial interests of the Northwest are best served by increasing large crops; and, desiring to bring to the attention of the Representatives in Congress, that this bettering of the basic price of wheat can be accomplished only by certain provisions in the tariff, as have been represented in connection with the milling of Canadian wheat in Bond or Drawback, we endorse and approve of a plan presented permitting of the drawback of by-products considered essential and vital in this State where its dairy interests are so large and of much importance, sufficient to demand the retention of mill-feed." I move the adoption of this recommendation.

(The motion was duly seconded.)

President O. M. NELSON: The question is on the adoption of the resolution.

Mr. G. F. PETERSON: I rise to say that the Emergency Tariff was enacted as an aid to the Minnesota farmer. Oats are today selling at some country points in northern Minnesota on a basis of twenty-four cents and barley about thirty-seven cents. These prices, I believe, are low enough, and by admitting by-products of Canadian wheat I think we will further depress the barley and oats prices. I think it is a matter we should have under discussion before adopting this resolution.

Mr. WILL WILKE: I want to say in reply to Mr. Peterson that the milling of wheat will go on and go on continuously as long as the American people must live. The idea of milling wheat within the United States that is grown in a foreign country and shipped here in bond simply means this: Shall the wheat which is milled here and the by-products be retained, or shall it be milled and the by-products sent out, simply furnishing to our labor at mills a certain amount of earnings? In bran alone you will find a by-product which is one of the essential feeds for dairy cattle, and we have so many of them in the State of Minnesota. So, gentlemen, I cannot do otherwise than to ask you to adopt this resolution as presented. You should have these by-products to protect your dairy interests, which today are the second in importance in the State, and I hope the resolution will be adopted.

(Voices: Question. Question.)

President O. M. NELSON: The question is upon the adoption of the resolution as read. All in favor of the adoption of the resolution signify by saying aye, opposed, no. The ayes have it.

Mr. WILL WILKE: "For the purpose of adding to the happiness and contentment of the citizens of America, who are willing to work and save, and wishing to point out the possibilities for success following the recommendation of the American Bankers' Association Committee on Education, that each banker in the State join in the movement to bring the benefits of the bank to the school and bring the school to the bank for the purpose of pointing to the youth of America the way to prosperity, it is

RESOLVED, that the banker nearest to every school in Minnesota hereby take upon himself the obligation to advance this program by agreeing to deliver during the next school year, ten lectures on banking as outlined by the Committee on Education of the American Bankers' Association, one lecture each month, and that in the course of the school year he invite the pupils of the higher grades of the grammar school, and those of the high school nearest to his bank, to the bank for the purpose of showing the young American practically, the useful place the banking profession occupies in the creation of good citizenship."

I might say that this resolution was fully explained in an address made by Mr. Thomson, or rather, in his report yesterday. I move the adoption of this resolution.

(The motion was duly seconded and, upon being put to a vote, was duly carried.)

Mr. WILL WILKE: I called your attention on yesterday to a resolution adopted, I stated, last year. I wish to correct myself and state that it was in 1919. The following resolution was offered: "The following resolution was offered to the Thirtieth Annual Convention by Mr. Chapman, then adopted, and is again presented for adoption:

"RESOLVED, that the Minnesota Bankers' Association earnestly disapproves all questionable financial promotions, and recommends, that regardless of the profit involved, members refuse to purchase notes or other obligations arising out of transactions through canvassers or agents, whenever the subject matter is one which the member would not recommend to the maker, in the first instance, and that, in any case such note or obligation should be purchased only with the knowledge and consent of the maker:"

Adding "and the practice of issuing certificates of deposit for such notes or obligations so purchased is objected to as representing the compounding of credits considered unnecessary."

Mr. President, I move the readoption of the Resolution, and that the amended section thereto be also adopted."

(The motion was duly seconded and, upon being put to a vote, was duly carried.)

Mr. WILL WILKE: "The assistance given by city banks to their country correspondents and in turn the liberal assistance given by the Federal Reserve Bank of the Ninth District to both city and country banks has continued to make possible the stability of the various banking institutions thus served, helping to promote business between producer and consumer. During the present period of unusual and abnormal financial conditions many banks have increased interest rates for deposits beyond rates deemed warranted or justified.

"Believing such high rates for deposits do not benefit the borrower but proportionately add to his higher cost, it is recommended to the various group and county organizations affil-

iated with this Association that a call for a conference be made at no late date for a discussion and the adoption of more uniform and conservative rates of interest to be paid for time deposits."

Gentlemen, I move the adoption of that recommendation.
(The motion was duly seconded.)

President O. M. NELSON: The matter before the house is the adoption of the resolution. Are you ready for the question? All in favor of the adoption of the resolution as read signify by saying aye, opposed, no. The resolution is adopted.

Mr. WILL WILKE: In connection with this, it was the idea of your Committee on Resolutions that the various group secretaries communicate with the Secretary of the Association, and that the county organizations do likewise, to get such suggestions as the Secretary of the Association may have for matters of discussion upon this subject of interest rate in order that he can bring to them any information that he obtains. There is no uniformity today in the interest paid on certificates in the State of Minnesota. It is high time, when you have passed through your crisis, to get back to a more conservative basis. You are simply ruining your own business and making it difficult for the borrower to continue issuing certificates instead of discounting in the legitimate way.

This is offered: "William E. Lee, a former President of this Association, a citizen of Minnesota for sixty-five years and a banker in his home town for forty years, died at his home in Long Prairie, November 16, 1920. He served in several public positions of honor, both appointive and elective.

"Maj. O. H. Havill for many years a banker, and resident of both St. Cloud and St. Paul, a former President of this Association, has passed beyond since your last convention.

"It is RESOLVED that this mention of the passing of these Past-Presidents and recognition of their service to this Association be engrossed as a part of the permanent record of the Association." I move the adoption of this resolution.

(The motion was seconded.)

President O. M. NELSON: The question is on the adoption of the resolution. Are you ready for the question?

Mr. J. A. LATTA: I wish to ask for a rising vote on this resolution.

President O. M. NELSON: All in favor of the motion signify by rising. It is carried unanimously.

Mr. WILL WILKE: "RESOLVED, that this Association favors legislation permitting participation by banks in organizations having for their purposes and functions financing foreign trade and the extension of credits based upon sales of American manufactured merchandise and articles of trade." I move the adoption of that resolution.

Mr. J. J. PONSFORD: I second the motion.

President O. M. NELSON: The question is on the adoption of the resolution. All in favor of the adoption of the resolution signify by saying aye, contrary minded, no. The resolution is adopted.

Mr. WILL WILKE: "Be it RESOLVED, that the President of this Association be and is hereby directed to appoint a committee of seven men, representative of the several kinds of state banking institutions, whose duty it shall be to prepare a revision and codification of the laws of the State pertaining to financial institutions to be submitted to the Legislature at its next session. The report of the Committee shall be submitted to this Association at its next annual meeting. The members of the committee shall serve without pay, but their actual and necessary expenses shall be paid by the Association, and the committee may employ, subject to the approval of the Executive Council, such legal counsel and clerical assistance as may be necessary in its work. The Committee shall be known as 'The Committee on Revision of Banking Laws.' " I move the adoption of this resolution.

(The motion was seconded.)

President O. M. NELSON: Gentlemen, the question is on the adoption of the resolution. Are you ready for the question? All in favor of adopting the resolution as read signify by saying aye, opposed, no. The resolution is adopted. I will permit my successor to make the appointments of the seven members, as they will be working with him during his term of office, and we believe it is a matter of great importance.

Mr. WILL WILKE: I might add that the President has made this recommendation in respect to this Committee, that it be composed of three state bankers, representatives of two

trust companies, representatives of a savings bank, and also an investment banker.

I think his suggestion is very good if the incoming President cares to adopt it. I want to say something with reference to the Legislative Committee, to pay the respects of the Committee on Resolutions to Mr. Fellows, Mr. Devine and Mr. McLane, and to commend them very highly for the earnest work which they did before the Legislature in behalf of the bankers of this State. At no time during the history of this Association has a more concise and complete synopsis of proposed bills ever been presented to this Association than was presented this year by that committee. While I do not bespeak for them any hard work or any hardship, I hope that the incoming Executive of this Association will make it possible that we do not lose touch with these men and in case they are unable to act entirely in our behalf in the future that they may at least act in an advisory capacity.

We have put something of our appreciation into words as follows: "The members of this Association commend highly the work of your Legislative Committee." I do not know of any words in the English language that I could put together that would express it better. I move the adoption of the resolution.

Mr. F. A. GROSS: I second the motion.

President O. M. NELSON: All in favor of adopting the resolution say aye, opposed, no. It is carried.

Mr. WILL WILKE: "We express our appreciation for the time devoted by our President to the affairs of the Association, his attendance at each group meeting with his faithful and earnest efforts to bring results of benefit to the membership. He has served with honor as your President." I will ask the members of the Association to vote upon this resolution by a rising vote. All in favor of the resolution please stand. It is unanimous, Mr. President, and I have the honor to so inform you. This is the first time this year that the bankers of this Association have all agreed upon the same thing at the same time.

"We acknowledge with pleasure the efficient service of Geo. H. Richards, your Secretary, who has conducted the af-

fairs of this office with attention and satisfaction to every one of the members of this Association."

If I may usurp the position of the President, I will ask you to vote upon this resolution the same as you did on the other. The motion was absolutely unanimous with the exception of one stranger who is among us this morning who did not vote. I will ask him to vote upon the question whether we have not the very best Secretary of any Association in the United States.

(Dr. B. M. Anderson then rose to his feet amidst applause.)

Mr. J. H. SMITH: I suggest the Association indulge me a moment. I believe that the Committee intended to cover all those that had passed over. Mr. Dowling has passed over, and I do not think the Committee has presented a resolution as to him.

Mr. WILL WILKE: The resolution was passed yesterday in which Mr. Dowling was mentioned, and if there are any gentlemen here today who were not here yesterday I would be very glad to again read that resolution. Upon motion the rules were suspended and the following resolution was adopted:

"Whereas Michael J. Dowling is absent from this Convention and his absence accounted for, we are mindful of his service with many committees of this and other associations, that he was honored and served as your President, and, while among you played the part of a true American, faithful and fair, honest in every purpose; that he was one of Minnesota's greatest statesmen, a distinguished citizen of our Nation, internationally known and respected. He was the friend of every acquaintance, and the enemy of none. Handicapped but always longing for a chance to overcome the hardships of an eventful life, he has left a memory to be cherished by generations that may come. That the memory of this 'servant to others' may not pass unheeded and unheard, it is

"RESOLVED, that all Members of this Association join in the movement creating a Memorial to Michael J. Dowling, and that the President of this Association, with the approval of the Executive Council, is hereby empowered and directed to appoint a committee of three or more members, who shall arrange for the solicitation and collection of a sum of twenty-

five thousand dollars to be a part of a fund created for the purposes contemplated." I move the adoption of all and each of the resolutions as read.

(The motion was duly seconded and, upon being put to a vote, was carried.)

Dr. B. M. ANDERSON: I want to ask your indulgence for one word further, something I meant to say and omitted to say. I do not want to leave the impression that I am in any way opposed to further financial help for Europe. On the contrary it seems to me it is necessary that we should give further financial assistance to Europe. However, it must not be done in the indiscriminate advance of money such as the last two years has seen. A plan something like that of Mr. McHugh, it seems to me, is the machinery that we should employ in the future.

Secretary G. H. RICHARDS: I wish we might correct the wording of the Constitution to which I referred yesterday. In order not to detain you, Mr. President, I wish to move the adoption of this amendment, to-wit: That Section 5 of Article 4 be amended by transposing the clause "or member of the Council of Administration" to follow immediately the first clause "If any officer," thus causing the paragraph to read:

"If any officer, or member of the Council of Administration, excepting the Secretary ceases to be actively engaged in the banking business, he shall thereupon be held to have vacated his office in this Association."

I move the adoption of that amendment to our Constitution.

(The motion was duly seconded and carried.)

Secretary G. H. RICHARDS: There is one more amendment to the Constitution which I am directed by the Council of Administration to present. It is adoption of an additional paragraph which will be Section 6, and is as follows:

"Where a member of the Council of Administration, excepting the Secretary, shall have served one-half or more of a full three-year term, he shall not be eligible to succeed himself."

Mr. President, I move the adoption of that amendment.

(The motion was seconded and, upon being put to a vote, was duly carried.)

President O. M. NELSON: Is there any other unfinished business or new business? If there is not we will proceed to the election and installation of officers. The first is the election of a President of the Association.

Mr. J. A. LATTA: The first in order of business as I understand it will be the nomination for President of this Association. I feel there is not a person in the room but recognizes the fact that to be President of the Minnesota Bankers Association is to have conferred upon him the highest honor within the gift of the bankers of this great State. That office has almost always been filled by well recognized, experienced bankers, conservative, sane, progressive, patriotic and, in fact, our best citizens. It is a roll and roster of names of which we are all proud. I do not want to embarrass the present incumbent, but I will say that his name added to the list has not changed the average but has kept it on the high plane it was.

As the successor to our President I wish to nominate a gentleman whom you all know, who has had many years experience as a country banker, who is entirely familiar with the problems of our State and of the Northwest, who is well known for his conservative, sane views, who is well known for his patriotism, his courage, and for his good fellowship with the other men in his profession. He has always been an outstanding citizen in his community and in every way will honor this Association if he fills the position of President. Ladies and gentlemen, I place in nomination Mr. James J. Ponsford, the present incumbent of the office of Vice-President.

Mr. C. A. CHAPMAN: I wish to second both the remarks of Mr. Latta and the nomination which he makes.

Mr. F. A. GROSS: I move that the nominations be closed and that the Secretary be instructed to cast the ballot of the Minnesota Bankers Association for Mr. Ponsford for president.

Mr. J. J. MALONEY: I second the motion.

President O. M. NELSON: All those in favor of the motion signify by saying aye, opposed, no. It is carried.

Secretary G. H. RICHARDS: Mr. President, I declare the ballot so cast.

President O. M. NELSON: Your new president, Mr. Ponsford, please come forward. I bespeak for him the same courtesy and kindness and helpfulness that you have given to me.

President J. J. PONSFORD: Mr. Nelson, members of the Association, if I were to say that this election to the Presidency of the Minnesota Bankers Association was a surprise to me that would be false for, while I am not a politician or a prophet, due to the custom of the Association I would surely have been disappointed had my office as Vice-President terminated otherwise. For the honor you have conferred upon me by electing me to this honorable position I wish to thank you. I will endeavor with the assistance of the officers with whom I will be associated to serve this Association to the best of my ability. While our Conventions have social and entertainment features connected with them, I am sure that it is not necessary for a member to go home without deriving many times the cost of time and money that he has put forth. When this meeting is over and we return to our homes let us do all in our power to see that the Minnesota Bankers Association is one of the best organizations for the advancement of banking and the good of the banking fraternity in the United States. I thank you sincerely. Mr. Secretary, what is the next order of business?

Secretary G. H. RICHARDS: The next order of business is the election of a Vice-President.

Mr. J. E. BALDWIN: It would be out of order to propose with oratory the name of the gentleman that I would like to place in nomination for Vice-President, but I want to place his name before this Convention with just a homely illustration. When I was a boy my father was a lawyer out at my native town of Redwood Falls. We had to cross the Minnesota River on a ferry and the ferryman had his long pole with tar on the end of it, with a pail of tar handy to use in the manipulation of the boat across the river. This particular day my father was his legal adviser, and he stayed to talk things over with him, and in some way he tripped over the pail and fell into the river.

That amused me, as a boy, but it prevented him from getting his retainer. In nominating Paul Leeman for Vice-President we want a fellow who keeps things in order, we want a man who we know carries a strong head to cross these conditions that we encounter and who has a pail of tar handy to put that pole in. I want to nominate Paul Leeman as Vice-President of this Association.

Mr. CLIFF GRESS: I wish to second the nomination of Paul Leeman as Vice-President at this time.

Mr. J. A. LATTI: I move that the nominations be closed and that the Secretary cast the ballot of the Association for Mr. Leeman.

(The motion was seconded.)

President J. J. PONSFORD: All in favor of the motion signify by saying aye, opposed, no. It is unanimous. Mr. Paul Leeman has been elected as Vice-President of this Association for the ensuing year. A speech by Mr. Leeman would be in order at this time. He does not seem to be present to hear these nice things that have been said about him. Next will be the election of a Treasurer for the ensuing year.

Mr. C. H. DRAPER: I wish to place in nomination for this position our present Treasurer, Mr. C. L. Hanson of Thief River Falls. In this connection I wish to make this explanation that it has always been the custom for this Association to honor the Treasurer with a second term. Mr. Hanson has had the office only for one year, and therefore I placed him in nomination to succeed himself.

Mr. A. G. WEDGE: I wish to second the nomination. Mr. Hanson has not only been a successful banker, but I think he is the only handsome bachelor among the corps of officers of this Association.

Mr. J. J. MALONEY: I move that the nominations be closed and the Secretary cast the ballot.

(The motion was seconded and duly carried and the Secretary cast the ballot for Mr. Hanson.)

President J. J. PONSFORD: Mr. C. L. Hanson has been elected Treasurer for the ensuing year. We want you to give us a speech, Mr. Hanson.

Mr. C. L. HANSON: In view of the pleasant introduction and the kind remarks made I can say only that I appreciate the honor conferred upon me, but of the fact that I am a handsome specimen I must say that my friend is badly mistaken. 'This is so sudden,' as the ladies say, so I shall not detain you. I thank you for your consideration.

President J. J. PONSFORD: We will now proceed to the election of members of the Council of Administration.

Secretary G. H. RICHARDS: May I explain that the election will be for members in the Fourth District, the Sixth District and the Ninth District. In the Sixth District Mr. Harry Lee has been elected by his group. It is only necessary that the Convention confirm that election.

Mr. A. G. WEDGE: I move that the election of Mr. Harry Lee be confirmed by this Convention, as a member of the Council of Administration.

(The motion was seconded.)

President J. J. PONSFORD: It is moved and seconded that the election of Mr. Harry Lee be confirmed by this Convention. All in favor manifest it by saying aye, opposed, no. It is carried.

Secretary G. H. RICHARDS: In the Tenth District Mr. A. B. Morse has been elected to succeed Mr. W. A. Shaw, of Clearwater.

Mr. O. L. GULBRO: I move that Mr. A. B. Morse be elected to succeed Mr. W. A. Shaw in the Tenth District.

(Motion was seconded and duly carried.)

Secretary G. H. RICHARDS: The election of another man, a representative from the Fourth District is in order now.

President J. J. PONSFORD: There is no selection for a member of the Council from the Fourth District. Is there anyone here that has a nomination?

Mr. JAMES L. MITCHELL: I take great pleasure in nominating Mr. H. B. Humason.

(Motion was duly seconded.)

President J. J. PONSFORD: All in favor of the election of Mr. Humason manifest by saying aye, contrary minded, no. It is carried.

That completes the election of officers at this time. Immediately following this meeting there will be a meeting of the Council of Administration in the little room off the dining-room where we met the other evening. We would like all the members to meet with us. A motion to adjourn is in order.

Mr. J. H. INGWERSEN: I move that we adjourn.

(The motion was seconded and carried, and the 1921 Convention was by the President declared adjourned.)

Entertainment

An organization of the proportions of the Minnesota Bankers Association provides ever increasing problems for the committees charged with the arrangement for entertainment at the annual conventions.

It is a well recognized fact that only three cities in the State have accommodations capable of taking care of the needs of the many delegates and guests. With this narrowed field it necessarily follows that the meetings are quite alike, and to provide social features which are not complete repetitions of those which have been enjoyed before is the problem which confronts the Entertainment Committee each year.

For this year's convention this problem was wished upon Mr. P. J. Leeman, Mr. R. E. Macgregor, Mr. J. W. Barton and Mr. C. E. Hill, and Mr. W. R. Murray and it is the unanimous opinion of all who participated that their duties were splendidly discharged.

Arrangements were made for centering the social features on Friday afternoon and evening, after the business sessions of the convention were entirely over. In place of remaining in the city the party were taken by special train on the Minneapolis, Northfield and Southern Railroad, to the Minneapolis Automobile Club, on the bluffs overlooking the beautiful Minnesota River Valley. A ball game was staged in the best field obtain-

able between selected players from the bank leagues of Saint Paul and Minneapolis, and resulted in a victory for the Minneapolis nine. A pleasing variation to a buffet supper was enjoyed when guests retired with their plates to tables which had been arranged on an elevation overlooking a natural amphitheatre. During supper they were entertained by a girls' band and vaudeville numbers presented on the hill-sides. Regardless of the oppressive heat an informal dance in the Club House appeared to be very much enjoyed. The party returned to the city by private cars and train in time to take the late trains out or to take the special cars for the

Yellowstone Park Trip.

In the final count it was found that fifty bankers and their friends were on board, bound for the National Park. Long before arrival at the Gardner entrance, a most delightful companionship had been established among all members of the party, and days spent in this wonderland were as full of enjoyment as they would hold. The constant round of pleasures in viewing the freaks of nature, each one appearing to surpass all that had been observed before, reached its climax on the last day when the trip of 103 miles was made by automobile from the Canyon Hotel to Cody, Wyoming. Probably no automobile road in America can approach, in the matter of grandeur and scenic beauty, the one over the Sylvan Pass and down the Shoshone river.

Return to Minneapolis was made by the party on Sunday morning, July 3rd, and leave-taking took the form of: Where shall we go next year?

Members of the Minnesota Bankers Association

June, 1921

Honorary Members

Federal Reserve Bank, Minneapolis
Federal Farm Land Bank, Saint Paul
Superintendent of Banks of Minnesota
Deputy Superintendent of Banks
Bank Examiners, State and National, in Minnesota

- Ada—Ada National Bank.
Ada—Farmers & Merchants State Bank.
Ada—First National Bank.
Ada—First State Bank of Ada.
Adams—Farmers State Bank.
Adams—First National Bank.
Adrian—Adrian State Bank.
Adrian—First National Bank.
Adrian—National Bank of Adrian.
Afton—Citizens State Bank.
Aitkin—Farmers National Bank.
Aitkin—First National Bank.
Aitkin—National Bank of Aitkin.
Akeley—State Bank of Akeley.
Albany—First State Bank.
Albany—Stearns County State Bank.
Alberta—Alberta State Bank.
Albert Lea—Albert Lea State Bank.
Albert Lea—Citizens National Bank.
Albert Lea—First National Bank.
Albert Lea—Freeborn County State Bank.
Albertville—Albertville State Bank.
Alden—First National Bank.
Alden Security State Bank of Alden.
Aldrich—First State Bank.
Alexandria—Douglas County Bank.
Alexandria—The Farmers National Bank.
Alexandria—First National Bank.
Alexandria—Park Region State Bank.
Almelund—Farmers State Bank.
Almora—Almora State Bank.
Alpha—Farmers & Merchants State Bank.
Alpha—State Bank of Alpha.
Altura—Altura State Bank.
Alvarado—Farmers State Bank.
Alvarado—State Bank of Alvarado.
Amboy—First National Bank.
Amboy—Minnesota State Bank.
Amiret—Amiret State Bank.
Angus—Farmers State Bank of Angus.
Annandale—Citizens State Bank.
Annandale—State Bank of Annandale.
Anoka—Anoka National Bank.
Anoka—Farmers State Bank.
Anoka—State Bank of Anoka.
Appleton—Appleton State Bank.
Appleton—Farmers & Merchants State Bank.
Appleton—First National Bank.
Arco—Farmers State Bank.
Argyle—Citizens State Bank.
Argyle—Farmers and Merchants Bank.
Argyle—First National Bank.
Arlington—Farmers & Merchants State Bank.

- Arlington—First State Bank.
Armstrong — Armstrong State Bank.
Ashby—Farmers State Bank.
Ashby—First State Bank.
Ashcreek—Ashcreek State Bank.
Askov—First State Bank.
Atwater—Farmers State Bank.
Atwater—First National Bank.
Audubon—Farmers State Bank.
Audubon—State Bank of Audubon.
Augusta—Augusta State Bank.
Aurora—State Bank of Aurora.
Austin—Austin National Bank.
Austin—Farmers & Merchants State Bank.
Austin—First National Bank.
Avoca—First National Bank.
Avon—Avon State Bank.
Backus—Backus State Bank.
Badger—First State Bank.
Badger—Scandinavian American State Bank.
Bagley—Clearwater County State Bank.
Bagley—First National Bank.
Baker—Baker State Bank.
Balaton—First National Bank.
Balaton—First State Bank.
Barnesville—Citizens State Bank.
Barnesville—The Farmers National Bank.
Barnesville—First National Bank.
Barnum—First National Bank.
Barrett—Citizens State Bank.
Barrett—Farmers State Bank of Barrett, Inc.
Barrows—First State Bank.
Barry—Barry State Bank.
Battle Lake—First National Bank.
Battle Lake—First State Bank.
Baudette—First National Bank.
Baudette—Security State Bank.
Beardsley—Citizens State Bank.
Beardsley—First National Bank.
Beaver Creek — Beaver Creek State Bank.
Beaver Creek—First National Bank.
Becker—State Bank of Becker.
Bejou—Farmers State Bank.
Bellechester — Farmers State Bank.
Belle Plaine — First National Bank.
Belle Plaine—State Bank of Belle Plaine.
Bellingham — Bellingham State Bank.
Bellingham—Farmers State Bank.
Beltrami—Farmers State Bank.
Beltrami—First State Bank.
Belview—Farmers State Bank.
Belview—State Bank of Belview.
Bemidji—Farmers State Bank.
Bemidji—First National Bank.
Bemidji — Northern National Bank.
Bemidji—Security State Bank.
Benson—First National Bank.
Benson—Security State Bank.
Benson—Swift County Bank.
Beroun—State Bank of Beroun.
Bertha—Farmers State Bank.
Bertha—First National Bank.
Bethel—State Bank of Bethel.
Big Bend City—Farmers State Bank.
Bigelow—State Bank of Bigelow.
Big Falls—First State Bank.
Big Fork—First State Bank.
Big Lake—Big Lake Farmers State Bank.
Big Lake—First National Bank.
Bingham Lake—First State Bank.
Bird Island—Renville County State Bank.
Bird Island—State Bank of Bird Island.
Biscay—First State Bank.
Biwabik—First National Bank.
Bixby—State Bank of Bixby.
Black Duck—Black Duck State Bank.
Black Duck—First National Bank.
Blakeley—Farmers State Bank.
Blooming Prairie—Farmers & Merchants State Bank.
Blooming Prairie—First National Bank.
Blue Earth—Blue Earth State Bank.
Blue Earth—Farmers National Bank.

- Blue Earth—First National Bank.
Bluffton—State Bank of Bluffton.
Bock—State Bank of Bock.
Bongards—Farmers State Bank.
Borup—Security State Bank.
Bovey—First National Bank.
Bowlus—Morrison County State Bank.
Boyd—Boyd State Bank.
Boyd—First State Bank.
Braham—Braham State Bank.
Braham—First National Bank.
Brainerd—Brainerd State Bank.
Brainerd—Citizens State Bank.
Brainerd — Commercial State Bank.
Brainerd—First National Bank.
Brandon—Farmers State Bank.
Brandon—First National Bank.
Breckenridge—Breckenridge National Bank.
Breckenridge—Farmers & Merchants State Bank.
Breckenridge — First National Bank.
Brewster—Brewster State Bank.
Brewster—First National Bank.
Bricelyn—First National Bank.
Bricelyn—State Bank of Bricelyn.
Bronson—Bronson State Bank.
Bronson—Farmers State Bank.
Brook Park—Brook Park State Bank.
Brooks—First State Bank.
Brooten—Farmers State Bank.
Brooten—Security State Bank.
Brooten—State Bank of Brooten.
Browerville — Browerville State Bank.
Browerville—First National Bank.
Browns Valley—Browns Valley State Bank.
Browns Valley—First National Bank.
Brownsville — Brownsville State Bank.
Brownton—Brownton State Bank.
Brownton First State Bank.
Bruno—State Bank of Bruno.
Brunswick — State Bank of Brunswick.
Brushvale—Brushvale State Bank.
Buckman—Buckman State Bank.
Buffalo—First National Bank.
Buffalo—Oakley State Bank.
Buffalo—State Bank of Buffalo.
Buffalo Lake—Farmers State Bk.
Buffalo Lake—State Bank of Buffalo Lake.
Buhl—Buhl State Bank.
Buhl—First National Bank.
Burr—Farmers State Bank.
Burtrum—First State Bank.
Butterfield—Peoples State Bank.
Butterfield—State Bank of Butterfield.
Byron—State Bank of Byron.
Caledonia—Caledonia State Bank.
Caledonia—First National Bank.
Caledonia—Sprague State Bank.
Callaway—Citizens State Bank.
Cambridge—First National Bank.
Cambridge—First State Bank.
Cambridge—Isanti County State Bank.
Campbell—The First Nat'l Bank.
Campbell—Security State Bank.
Canby—Bank of Canby.
Canby—First National Bank.
Canby—National Citizens Bank.
Cannon Falls — Citizens State Bank.
Cannon Falls—Farmers & Merchants National Bank.
Cannon Falls — Peoples State Bank.
Canton—First State Bank.
Carlisle—Farmers State Bank.
Carlos—First State Bank.
Carlton—First National Bank.
Carver—First State Bank of Carver.
Cass Lake—Cass County State Bank.
Cass Lake—First National Bank.
Castle Rock—First State Bank of Castle Rock, Inc.
Cedar—Farmers State Bank.
Center City — Chisago County State Bank.
Ceylon—First National Bank.
Ceylon—State Bank of Ceylon.
Champlin—First State Bank.

- Chandler—State Bank of Chandler.
Chanhasen—State Bank of Chanhasen.
Chaska—Carver County State Bk.
Chaska—First National Bank.
Chatfield—First National Bank.
Chatfield—First State Bank.
Chisago City—Farmers State Bk.
Chisago City—Security State Bk.
Chisholm—Chisholm State Bank.
Chisholm—First National Bank.
Chisholm—Miners State Bank.
Chokio—Chokio State Bank.
Clara City—Citizens State Bank of Clara City.
Clara City—Clara City State Bk.
Claremont—Farmers State Bank.
Claremont—State Bank of Claremont.
Clarissa—Clarissa State Bank.
Clarissa—Farmers State Bank.
Clarkfield—Citizens State Bank of Clarkfield, Inc.
Clarkfield—Clarkfield State Bank.
Clarks Grove—State Bank of Clarks Grove.
Clearbrook—First State Bank.
Clear Lake—First State Bank.
Clearwater—Clearwater, State Bk.
Clearwater—First State Bank.
Clements—State Bank of Clements.
Cleveland—First State Bank.
Climax—Farmers State Bank.
Climax—State Bank of Climax.
Clinton—Clinton State Bank.
Clinton—First National Bank.
Clitherall—First State Bank.
Clontarf—Farmers State Bank.
Cloquet—First National Bank.
Cloquet—Northwestern State Bk.
Cobden—State Bank of Cobden.
Cohasset—Cohasset State Bank.
Cokato—Citizens State Bank of Cokato.
Cokato—Farmers & Merchants State Bank.
Cokato—State Bank of Cokato.
Cold Springs—First National Bk.
Cold Spring—State Bank of Cold Sprng.
Coleraine—First National Bank.
Coleraine—Merchants & Miners State Bank.
Cologne—State Bank of Cologne.
Comfrey—Farmers State Bank.
Comfrey—First State Bank.
Comstock—Comstock State Bank.
Conger—State Bank of Conger.
Cook—Farmers & Merchants State Bank.
Cook—First State Bank.
Correll—Farmers & Merchants State Bank of Correll, Inc.
Cosmos—First State Bank.
Cottonwood—Cottonwood State Bank.
Cottonwood—First National Bk.
Courtland—Courtland State Bank.
Cromwell—State Bank of Cromwell.
Crookston—Crookston State Bk.
Crookston — Crookston Trust Company.
Crookston—First National Bank.
Crookston — Merchants National Bank.
Crookston—Polk County State Bank.
Crookston — Scandia American Bank.
Crosby—First National Bank.
Crosby—First State Bank.
Currie—Farmers State Bank.
Currie—First State Bank.
Cushing—Farmers State Bank of Cushing, Inc.
Cuyuna—First State Bank.
Cyrus—Farmers State Bank.
Cyrus—State Bank of Cyrus.
Dakota—Dakota State Bank.
Dalbo—State Bank of Dalbo.
Dale—Farmers State Bank.
Dalton—Farmers & Merchants State Bank.
Dalton—First State Bank.
Danube—Danube State Bank.
Danvers—Danvers Farmers State Bank.
Danvers—State Bank of Danvers.
Darfur—State Bank of Darfur.
Darwin—Farmers State Bank.
Dassell—Bank of Dassell.

- Dassell—Citizens State Bank.
 Dawson—Bank of Dawson.
 Dawson—Farmers & Merchants State Bank.
 Dawson—First National Bank.
 Dayton—The First State Bank.
 Deer Creek—Farmers State Bk.
 Deer Creek—First National Bk.
 Deer River—First National Bk.
 Deerwood—First National Bank.
 De Graff—Peoples State Bank.
 De Graff—State Bank of De Graff.
 Delano—First National Bank.
 Delano—State Bank of Delano.
 Delavan—Farmers State Bank.
 Delavan—Security State Bank.
 Delft—State Bank of Delft.
 Delhi—Farmers & Merchants State Bank.
 Denham—Farmers State Bank.
 Dennison—State Bank of Dennison.
 Dent—Farmers State Bank.
 Detroit—Detroit State Bank.
 Detroit—First National Bank.
 Detroit—Merchants National Bk.
 Detroit—Security State Bank.
 Dexter—First State Bank.
 Dilworth—Dilworth State Bank.
 Dodge Center—Farmers National Bank.
 Dodge Center—First Nat'l Bank.
 Donaldson—State Bank of Donaldson.
 Donnelly—Farmers & Merchants State Bank.
 Donnelly—State Bk. of Donnelly.
 Doran—State Bank of Doran.
 Dorset—Farmers State Bank.
 Dotson—Farmers State Bank.
 Douglas—Douglas State Bank.
 Dover—First State Bank.
 Dovray—State Bank of Dovray.
 Downer—First State Bank.
 Duluth—American Exchange National Bank.
 Duluth—Bank of Commerce & Savings, Inc.
 Duluth—Central State Bank.
 Duluth—Citizens State Bank.
 Duluth—City National Bank.
 Duluth—Duluth State Bank.
 Duluth—First National Bank.
 Duluth—Home State Bank.
 Duluth—A. R. MacFarlane & Co.
 Duluth—Minnesota National Bk.
 Duluth—Northern National Bank.
 Duluth—Peoples State Bank.
 Duluth—Riverside State Bank.
 Duluth—Western State Bank.
 Dumont—First State Bank.
 Dundas—Dundas State Bank.
 Dundee—State Bank of Dundee.
 Dunnell—First National Bank.
 Eagle Bend—First National Bank.
 Eagle Bend—First State Bank.
 Eagle Lake—State Bank of Eagle Lake.
 East Chain—East Chain State Bk.
 East Grand Forks—First National Bank.
 East Grand Forks—First State Bank.
 Easton—Easton State Bank.
 Easton—Farmers State Bank.
 Echo—Farmers State Bank.
 Echo—State Bank of Echo.
 Eden Valley—Security State Bk.
 Eden Valley—State Bank of Eden Valley.
 Edgerton—Security State Bank.
 Edgerton—State Bank of Edgerton.
 Eitzen—Eitzen State Bank.
 Elbow Lake—Bank of Elbow Lake.
 Elbow Lake—First National Bk.
 Eldred—State Bank of Eldred.
 Elgin—First State Bank.
 Elizabeth—Merchants State Bk.
 Elko—Elko State Bank.
 Elk River—Bank of Elk River.
 Elk River—First National Bank.
 Elkton—Farmers State Bank.
 Ellendale—Ellendale State Bank.
 Ellendale—Security State Bank.
 Ellsworth—Ellsworth State Bank.
 Ellsworth—First National Bank.
 Elmore—Farmers State Bank.
 Elmore—First National Bank.
 Ely—First National Bank.
 Ely—First State Bank.
 Elysian—Elysian State Bank.

Emmons—Farmers & Merchants State Bank.

Emmons—First National Bank.

Erdahl—First State Bank.

Erhard—Erhard State Bank.

Erskine—First National Bank.

Erskine—State Bank of Erskine.

Essig—State Bank of Essig.

Euclid—First State Bank.

Evan—State Bank of Evan.

Evansville—Evansville State Bk.

Evansville—Farmers State Bank.

Eveleth—First National Bank.

Eveleth—Miners National Bank.

Eveleth—Peoples State Bank.

Excelsior—Minnetonka State Bk.

Eyota—Citizens State Bank.

Eyota—Farmers State Bank.

Fairfax—Citizens State Bank.

Fairfax—First National Bank.

Fairfax—State Bank of Fairfax.

Fairhaven—Farmers State Bank.

Fairmont—Citizens National Bk.

Fairmont—Fairmont National Bk.

Fairmont—First National Bank.

Fairmont—Martin County National Bank.

Faribault—Citizens National Bk.

Faribault—Farmers & Merchants State Bank.

Faribault—Faribault State Bank.

Faribault—Security National Bk.

Farmington—Farmington State Bank.

Farmington—First National Bk.

Farwell—Farwell State Bank.

Federal Dam—Federal Dam State Bank.

Felton—First State Bank.

Fergus Falls—American State Bk.

Fergus Falls—Farmers & Merchants State Bank.

Fergus Falls—Fergus Falls National Bank.

Fergus Falls—First National Bk.

Fergus Falls—First State Bank.

Fergus Falls—Guaranty Trust & Savings Bank.

Fertile—Citizens State Bank.

Fertile—Farmers State Bank.

Fertile—First State Bank.

Finlayson—First State Bank.

Fisher—Bank of Fisher.

Fisher—Red River Valley State Bank.

Flensburg—First State Bank.

Flom—Farmers State Bank.

Floodwood—Farmers State Bank.

Floodwood—First State Bank.

Florence—State Bank of Florence.

Foley—First National Bank.

Foley—State Bank of Foley.

Forada—Farmers State Bank.

Forest Lake—First National Bk.

Forest Lake—Forest Lake State Bank.

Foreston—Foreston State Bank.

Fort Ripley—Fort Ripley State Bank.

Fosston—Farmers State Bank.

Fosston—First National Bank.

Fountain—First State Bank.

Foxhome—State Bank of Foxhome.

Franklin—Citizens State Bank.

Franklin—State Bank of Franklin.

Frazee—Citizens State Bank.

Frazee—First National Bank.

Freeborn—First State Bank.

Freeburg—Freeburg State Bank.

Freeport—Farmers State Bank.

Freeport—Freeport State Bank.

French Lake—Farmers State Bk.

Frontenac—Frontenac State Bk.

Frost—State Bank of Frost.

Fulda—Citizens State Bank.

Fulda—First National Bank.

Garden City—Farmers State Bk.

Garfield—Garfield State Bank.

Garvin—Farmers State Bank.

Gary—Farmers State Bank.

Gary—First State Bank.

Gatzke—Farmers State Bank of Gatzke.

Gaylord—Citizens State Bank.

Gaylord—First State Bank.

Geneva—Geneva State Bank.

Genola—First State Bank.

Gentilly—Farmers State Bank.

Georgetown—State Bank of Georgetown.

- Georgeville—Farmers State Bank of Georgeville, Inc.
Ghent—Farmers State Bank.
Ghent—First State Bk. of Ghent.
Gibbon—Citizens State Bank.
Gibbon—State Bank of Gibbon.
Gilbert—First National Bank.
Gilman—First State Bank.
Glencoe—Bank of Glencoe.
Glencoe—First National Bank.
Glencoe—Peoples State Bank.
Glenville—Citizens State Bank.
Glenville—First State Bank.
Glenwood—First National Bank.
Glenwood—Glenwood State Bk.
Glenwood — Pope County State Bank.
Glyndon—Farmers State Bank.
Glyndon—First State Bank.
Gonvick—Farmers State Bank.
Gonvick—First National Bank.
Goodhue—First National Bank.
Goodhue—Goodhue State Bank.
Goodridge—Farmers State Bank.
Goodridge—Goodridge State Bk.
Good Thunder—State Bank of Good Thunder.
Gordonsville—Farmers State Bk.
Graceton—Farmers State Bank.
Graceville—Bigstone County Bk.
Graceville—First National Bank.
Graceville—Graceville State Bk.
Granada—First National Bank.
Granada—Granada State Bank.
Grand Marais — Cook County State Bank.
Grand Marais — Grand Marais State Bank.
Grand Meadow—Exchange State Bank.
Grand Meadow—First National Bank.
Grand Rapids — First National Bank.
Grand Rapids—Security State Bk.
Grandy—State Bank of Grandy.
Granger—Granger State Bank.
Granite Falls—First National Bk.
Granite Falls—Granite Falls Bk.
Granite Falls — Yellow Medicine County Bank.
Grasston—First State Bank.
Greenbush — Farmers & Merchants State Bank.
Greenbush—Peoples State Bank.
Greenbush—State Bank of Greenbush.
Green Isle—Citizens State Bank.
Green Valley—Farmers State Bk.
Greenwald—State Bank of Greenwald.
Grey Eagle—Farmers State Bk.
Grey Eagle—First National Bank.
Grey Eagle—Wilke Bros. Co.
Groningen—Groningen State Bank.
Grove City—First State Bank.
Grove City—Merchants & Farmers State Bank.
Grygla—Citizens State Bank.
Grygla—State Bank of Grygla.
Guckeen—Citizens State Bank.
Gully—First State Bank.
Guthrie—Farmers State Bank.
Hadley—State Bank of Hadley.
Hallock—Citizens State Bank.
Hallock—First National Bank.
Hallock—Kittson County State Bank.
Halma—Halma State Bank.
Holstad—First National Bank.
Halstad—State Bank of Halstad.
Hamburg—State Bank of Hamburg.
Hamel—Farmers State Bank.
Hammond—Hammond State Bk.
Hampton—State Bank of Hampton.
Hancock—First National Bank.
Hancock—Hancock Nat'l Bank.
Hanley Falls—Farmers State Bk.
Hanley Falls—First State Bank.
Hanover—Hanover State Bank.
Hanska—First National Bank.
Hanska—State Bank of Hanska.
Hardwick—Farmers State Bank.
Hardwick—Security State Bank.
Harmony—First National Bank.
Harmony—Peoples State Bank.
Harris—State Bank of Harris.
Hartland—Farmers State Bank.
Hartland—State Bank of Hartland.
Hastings—First National Bank.

- Hastings—Hastings National Bk.
Hastings—Merchants & Farmers Bank.
Hatfield—Farmers State Bank.
Hawick—Hawick State Bank.
Hawley—Farmers & Merchants State Bank.
Hawley—First National Bank.
Hawley—State Bank of Hawley.
Hayfield—Citizens State Bank.
Hayfield—Farmers State Bank.
Hayward—Farmers State Bank.
Hazel—Citizens State Bank.
Hazel Run—Hazel Run State Bk.
Hector—Farmers & Merchants State Bank.
Hector State Bank of Hector.
Henderson — Farmers & Merchants State Bank.
Henderson—Sibley County Bank.
Hendricks—Farmers Nat'l Bank.
Hendricks—First National Bank.
Hendrum—Farmers State Bank of Hendrum.
Hendrum—State Bank of Hendrum.
Henning—Farmers State Bank.
Henning—First National Bank.
Henriette—First State Bank.
Herman—First National Bank.
Herman—Grant County State Bk.
Heron Lake—Farmers State Bk.
Heron Lake—First National Bk.
Hewitt—First State Bank.
Hibbing—First National Bank.
Hibbing—Hibbing State Bank.
Hibbing—Merchants & Miners State Bank.
Hibbing—Security State Bank.
Hill City—First State Bank.
Hillman—Farmers State Bank.
Hills—Farmers State Bank.
Hills—First National Bank.
Hinckley—Farmers & Merchants State Bank.
Hinckley—State Bk. of Hinckley.
Hines—Hines State Bank.
Hitterdal—Clay County State Bk.
Hitterdal—Security State Bank.
Hoffman—Farmers State Bank.
Hoffman—State Bank of Hoffman.
Hokah—Farmers State Bank.
Hokah—Hokah State Bank.
Holdingford—Farmers State Bk.
Holland—Holland State Bank.
Holloway—Farmers & Merchants State Bank of Holloway, Inc.
Holloway—Peoples State Bank.
Holmes City—Holmes City State Bank.
Holt—Holt State Bank.
Hope—Farmers State Bank.
Hopkins—First National Bank, West Minneapolis.
Hopkins—State Bank of Hopkins.
Houston—Houston State Bank.
Houston—Security State Bank.
Howard Lake—American State Bank of Howard Lake, Inc.
Howard Lake—Bank of Howard Lake.
Hugo—First State Bank.
Humboldt—The First State Bank of Humboldt.
Huntley—Farmers State Bank of Huntley.
Hutchinson—Citizens Bank.
Hutchinson—Farmers & Merchants State Bank, Inc.
Hutchinson — Farmers National Bank.
Hutchinson — Hutchinson State Bank.
Ihlen—Ihlen State Bank.
International Falls — First National Bank.
International Falls—International State Bank.
Iona—Farmers State Bank.
Iona—First National Bank.
Ironton—First National Bank.
Ironton—First State Bank.
Isanti—First National Bank.
Isanti—First State Bank.
Isle—Security State Bank.
Isle—State Bank of Isle.
Ivanhoe—First National Bank.
Ivanhoe—Farmers & Merchants National Bank.
Jackson—Brown National Bank.
Jackson—First National Bank.
Jackson—Jackson National Bank.
Janesville—Citizens State Bank.

- Janesville—Janesville State Bank.
 Jasper—Farmers State Bank.
 Jasper—First National Bank.
 Jeffers—Farmers State Bank.
 Jeffers—State Bank of Jeffers
 Jenkins—Jenkins State Bank.
 Johnson—Johnson State Bank.
 Jordan—First National Bank.
 Jordan—Peoples State Bank.
 Judson—Farmers State Bank.
 Kanaranzi—Farmers State Bank.
 Kandiyohi—Farmers State Bank.
 Karlstad—Farmers State Bank.
 Karlstad—State Bank of Karlstad.
 Kasota—First State Bank.
 Kasson—National Bank of Dodge County.
 Kasson—National Farmers Bank of Kasson.
 Keewatin—First National Bank.
 Keewatin—Keewatin State Bank.
 Kelliher—Citizens State Bank.
 Kelliher—First State Bank.
 Kellogg—Kellogg State Bank.
 Kennedy—Farmers State Bank.
 Kennedy—Citizens State Bank.
 Kenneth—Kenneth State Bank.
 Kent—Kent State Bank.
 Kenyon—Citizens State Bank.
 Kenyon—Farmers State Bank.
 Kenyon—Kenyon State Bank.
 Kerkhoven—First National Bank.
 Kerkhoven—Security State Bank.
 Kerkhoven—State Bank of Kerkhoven.
 Kerrick—Kerrick State Bank.
 Kiester—First National Bank.
 Kilkenny—First National Bank.
 Kimball—Farmers State Bank.
 Kimball—State Bank of Kimball.
 Kinbrae—Kinbrae State Bank.
 Kingston—Kingston State Bank.
 Kinney—Kinney State Bank.
 La Crescent—La Crescent State Bank.
 Lafayette—Farmers State Bank.
 Lafayette—State Bank of Lafayette.
 Lake Benton—Farmers State Bk.
 Lake Benton—First National Bk.
 Lake Benton—National Citizens Bank.
 Lake City—Citizens Bank.
 Lake City—Lake City Bank of Minnesota.
 Lake City—Security State Bank.
 Lake Crystal—American National Bank.
 Lake Crystal—First National Bk.
 Lake Elmo—State Bank of Lake Elmo.
 Lakefield—Farmers State Bank.
 Lakefield—First National Bank.
 Lakefield—Jackson County State Bank.
 Lake Henry—Lake Henry State Bank.
 Lake Park—Becker County State Bank.
 Lake Park—First National Bank.
 Lakeville—Farmers State Bank.
 Lakeville—First National Bank.
 Lake Wilson—First National Bk.
 Lake Wilson—State Bank of Lake Wilson.
 Lambertson—First National Bank.
 Lambertson—State Bank of Lambertson.
 Lancaster—Farmers & Merchants State Bank.
 Lancaster—First National Bank.
 Lanesboro—First National Bank.
 Lanesboro—Scanlan - Habberstad State Bank.
 Lansing—Lansing State Bank.
 Laporte—First State Bank.
 La Salle—State Bank of La Salle.
 Lastrup—Lastrup State Bank.
 Lawndale—Lawndale State Bank.
 Lengby—Farmers State Bank.
 Leonard—First State Bank.
 Le Roy—First National Bank.
 Le Roy—First State Bank.
 Lester Prairie—Farmers State Bank.
 Lester Prairie—State Bank of Lester Prairie.
 Le Sueur—Farmers State Bank.
 Le Sueur—First National Bank.
 Le Sueur Center—First National Bank.
 Le Sueur Center—First State Bk.

- Lewiston—First State Bank.
Lewiston—Security State Bank.
Lewistown—Merchants State Bk.
Lincoln—Lincoln State Bank.
Lindstrom—First State Bank.
Lindstrom—Security State Bank.
Lismore—Lismore Farmers State Bank.
Lismore—State Bank of Lismore.
Litchfield—Bank of Litchfield.
Litchfield—Citizens State Bank.
Litchfield—Farmers & Merchants State Bank.
Litchfield—First National Bank.
Little Falls—American National Bank.
Little Falls—Commercial State Bank.
Little Falls—First National Bank.
Little Falls—Merchants State Bk.
Little Fork—First National Bank.
Little Sauk—Little Sauk State Bank.
London—London State Bank.
Long Lake—State Bank of Long Lake.
Long Prairie—Bank of Long Prairie.
Long Prairie—First National Bk.
Long Prairie—Peoples National Bank.
Long Siding—Long Siding State Bank.
Lonsdale—The State Bank of Lonsdale.
Loretto—State Bank of Loretto.
Louisburg—Louisburg State Bk.
Lowry—Lowry State Bank.
Lucan—Lucan State Bank.
Luverne—Farmers National Bk.
Luverne—First National Bank.
Luverne—National Bank of Luverne.
Luverne—Rock County Bank.
Lyle—Farmers State Bank.
Lyle—First National Bank.
Lynd—Lynd State Bank.
Lyndale—Lyndale State Bank.
Mabel—First National Bank.
Mabel—First State Bank.
Madelia—Farmers State Bank of Madelia, Inc.
Madelia—First National Bank.
Madelia—State Bank of Madelia.
Madison—First National Bank.
Madison—Lac qui Parle County Bank.
Madison—Madison State Bank.
Madison Lake—Peoples State Bk.
Magnolia—Magnolia State Bank.
Mahnomen—Citizens State Bank.
Mahnomen—Security State Bank.
Mahtowa—State Bank of Mahtowa.
Manchester — Manchester State Bank.
Mankato—American State Bank.
Mankato—Citizens Loan & Trust Co.
Mankato—First National Bank.
Mankato—Mankato Loan & Trust Co.
Mankato—Mankato Savings Bk.
Mankato—Mankato State Bank.
Mankato—National Bank of Commerce.
Mankato—National Citizens Bk.
Mantorville—First State Bank.
Maple Lake—Maple Lake State Bank.
Maple Lake—Security State Bank.
Maple Plain—State Bank of Maple Plain.
Mapleton—First National Bank.
Mapleton—Mapleton State Bank.
Marble—First National Bank.
Marietta—Farmers & Merchants State Bank.
Marietta—Marietta State Bank.
Marine on St. Croix—Security State Bank.
Markville—Markville State Bank.
Marshall—First National Bank.
Marshall—Lyon County National Bank.
Marshall—Marshall State Bank.
Matawan—Citizens State Bank.
Mavie—Farmers State Bank of Mavie.
Mayer—State Bank of Mayer.
Maynard—Farmers & Merchants State Bank, Inc.
Maynard—Home State Bank.
Maynard—Maynard State Bank.

- Mazeppa—Bank of Mazeppa.
McGrath—McGrath State Bank.
McGregor—McGregor State Bk.
McIntosh—Citizens State Bank.
McIntosh—First National Bank.
Meadowlands—Meadowlands St. Bank.
Medford—First State Bank.
Melby—Melby State Bank.
Melrose—Borgerding State Bank.
Melrose—Meire Grove Farmers State Bank.
Melrose—Security State Bank.
Menahga—Farmers & Merchants State Bank.
Menahga—First National Bank.
Mendota—Mendota State Bank.
Mentor—First State Bank.
Meriden—First State Bank.
Middle River—Security State Bk.
Middle River — State Bank of Middle River.
Milaca—First National Bank.
Milaca—Milaca State Bank .
Milaca—Security State Bank.
Milan—Peoples Bank of Milan.
Milan—State Bank of Milan.
Millerville—Millerville State Bk.
Millville—Millville State Bank.
Milroy—State Bank of Milroy.
Miltona—Miltona State Bank.
Minneapolis—American State Bk.
Minneapolis—Bankers' National Bank.
Minneapolis—Bond & Goodwin.
Minneapolis—Calhoun State Bk.
Minneapolis—Camden Park State Bank.
Minneapolis—Central State Bank.
Minneapolis—Chicago-Lake State Bank.
Minneapolis—Citizens State Bank.
Minneapolis — Continental State Bank.
Minneapolis—R. P. Dameron, 538 Security Bldg.
Minneapolis — Drake Ballard Company.
Minneapolis — East Hennepin State Bank.
Minneapolis—William W. Eastman Co.
Minneapolis—C.B. Enkeman Co.
Minneapolis—Exchange State Bk.
Minneapolis — Farmers & Mechanics Savings Bank.
Minneapolis—Fidelity State Bank.
Minneapolis—First National Bk.
Minneapolis—Fourth Avenue State Bank.
Minneapolis—Gateway State Bk.
Minneapolis—Gold-Stabeck Loan & Credit Co.
Minneapolis—Grandin Investment Co.
Minneapolis—Harriet State Bank.
Minneapolis—Hennepin Co. Savings Bank.
Minneapolis—Industrial State Bk.
Minneapolis—Lake Street State Bank.
Minneapolis—Lane-Piper & Jaffray, Inc.
Minneapolis — Lee-Higginson & Co.
Minneapolis—Liberty State Bank.
Minneapolis — Lincoln National Bank.
Minneapolis — Lincoln Trust & Savings Bank.
Minneapolis—Market State Bank.
Minneapolis—Mercantile State Bank.
Minneapolis—Merchants & Manufacturers State Bank.
Minneapolis—Metropolitan Nat'l Bank.
Minneapolis — Midland National Bank.
Minneapolis—Mill City State Bk.
Minneapolis—Millers & Traders State Bank.
Minneapolis—Minneapolis National Bank.
Minneapolis—Minneapolis Trust Co.
Minneapolis — Minnehaha State Bank.
Minneapolis—Minnesota Loan & Trust Co.
Minneapolis—The National City Company.
Minneapolis—Nokomis State Bank.

- Minneapolis—The North American Bank of Minneapolis.
Minneapolis—North Commercial State Bank.
Minneapolis—Northeast State Bk.
Minneapolis—Northern State Bk.
Minneapolis—North Side State Bank.
Minneapolis—North Western National Bank.
Minneapolis—Payday Nat'l. Bank.
Minneapolis—Penn Avenue State Bank.
Minneapolis—Republic State Bk.
Minneapolis—St. Anthony Falls Bank.
Minneapolis—Sheldon Bros.
Minneapolis—John F. Sinclair & Co.
Minneapolis—South Side State Bank.
Minneapolis—State Bank of Commerce.
Minneapolis—State Deposit Bank.
Minneapolis—State Institution for Savings.
Minneapolis—Stevens & Co.
Minneapolis—S. W. Straus & Co.
Minneapolis—Twenty-Sixth St. State Bank.
Minneapolis—Union State Bank.
Minneapolis—Union Investment Co.
Minneapolis—University State Bank.
Minneapolis—Wells-Dickey Trust Co.
Minneapolis—Western State Bk.
Minneiska—Farmers State Bank.
Minneota—Farmers & Merchants National Bank.
Minneota—First National Bank.
Minnesota Lake—Farmers National Bank.
Minnesota Lake—First National Bank.
Mizpah—State Bank of Mizpah.
Monterey—Farmers State Bank.
Monterey—Peoples State Bank.
Montevideo—Chippewa County State Bank.
Montevideo—Eliason State Bank.
Montevideo—First National Bank.
Montevideo—Montevideo State Bank.
Montgomery—Citizens State Bk.
Montgomery—First National Bk.
Monticello—Citizens State Bank.
Monticello—Farmers & Merchants State Bank.
Monticello—State Bank of Monticello.
Montrose—State Bank of Montrose.
Moorhead—Farmers & Merchants State Bank.
Moorhead—First National Bank.
Moorhead—First State Bank.
Moorhead—Moorhead National Bank.
Mora—First National Bank.
Mora—State Bank of Mora.
Morgan—Farmers & Merchants State Bank.
Morgan—State Bank of Morgan.
Morris—Citizens Bank.
Morris—Morris National Bank.
Morris—Stevens County State Bk.
Morristown—Farmers State Bk.
Morristown—Morristown State Bank.
Morton—Farmers State Bank of Morton, Inc.
Morton—State Bank of Morton.
Motley—First National Bank.
Motley—Peoples State Bank.
Motordale—First National Bank.
Motordale—State Bank of New Germany.
Mound—State Bank of Mound.
Mountain Iron—Mountain Iron First State Bank.
Mountain Lake—Farmers State Bank.
Mountain Lake—First National Bank.
Mountain Lake—First State Bk.
Murdock—Farmers State Bank.
Murdock—First State Bank.
Myrtle—First State Bank.
Nashua—First State Bank.
Nashwauk—American National Bank.
Nashwauk—First National Bank.
Nassau—Nassua State Bank.
Nelson—Nelson State Bank.

- Nerstrand—Farmers State Bank.
Nevis—State Bank of Nevis.
New Auburn—State Bank of New Auburn.
New Brighton—First State Bank.
New Folden—Farmers State Bk.
New Folden—Peoples State Bank.
New London—Farmers State Bk.
New London—State Bank of New London.
New Market—First State Bank.
New Munich—New Munich State Bank.
Newport — Farmers Terminal State Bank.
New Prague—First National Bk.
New Prague—State Bank of New Prague.
New Richland — First National Bank.
New Richland—State Bank of New Richland.
New Ulm—Brown County Bank.
New Ulm—Citizens State Bank.
New Ulm—Farmers & Merchants State Bank.
New Ulm—State Bank of New Ulm.
New York Mills—Farmers & Merchants State Bank.
New York Mills—First State Bk.
Nicollet—Farmers & Merchants State Bank.
Nicollet—Nicollet State Bank.
Nielsville—State Bank of Nielsville.
Norcross—State Bank of Norcross.
North Branch—Farmers State Bk.
North Branch—Merchants State Bank.
Northcote—Northcote State Bank.
Northfield—First National Bank.
Northfield—Northfield National Bank.
Northfield—State Bank of Northfield.
North Mankato — Peoples State Bank.
Northome—First State Bank.
North Redwood—Security State Bank.
Northrup — Northrup Peoples State Bank.
North St. Paul—First State Bank.
Norwood—Bank of Norwood.
Norwood—Citizens State Bank.
Oakland—State Bank of Oakland.
Oak Park—Oak Park State Bank.
Odessa—Farmers & Merchants State Bank.
Odessa—First State Bank.
Odin—Odin State Bank.
Ogema—White Earth Reservation State Bank.
Ogilvie—Farmers & Merchants State Bank.
Ogilvie—State Bank of Ogilvie.
Okabena—First State Bank.
Oklee — Farmers & Merchants State Bank.
Oklee—First State Bank.
Olivia—Farmers State Bank.
Olivia—Olivia State Bank.
Olivia—Peoples First Nat'l Bank.
Onamia—First State Bank.
Orleans—First State Bank.
Ormsby—Farmers State Bank.
Oronoco—Oronoco State Bank.
Orr—Orr State Bank.
Ortonville—Citizens Nat'l Bank.
Ortonville—First National Bank.
Ortonville—Ortonville State Bk.
Osakis—First National Bank.
Osakis—Osakis State Bank.
Oslo—Citizens State Bank.
Oslo—First State Bank.
Osseo—Citizens State Bank.
Osseo—Farmers State Bank.
Ostrander—Ostrander State Bk.
Otisco—Otisco State Bank.
Ottertail—Farmers State Bank.
Owatonna—First National Bank.
Owatonna—National Farmers Bk.
Owatonna—Security State Bank.
Palisade—Palisade State Bank.
Park Rapids—Farmers State Bk.
Park Rapids—First National Bk.
Park Rapids—State Bank of Park Rapids.
Parkers Prairie—First National Bank.
Parkers Prairie—State Bank of Parkers Prairie.
Paynesville—First National Bank.

- Paynesville—Security State Bank.
Pease—State Bank of Pease.
Pelican Rapids—First National Bank.
Pelican Rapids—Pelican Rapids State Bank.
Pelican Rapids—J. P. Wallace, State Bank.
Pemberton—Farmers State Bank.
Pemberton—Pemberton State Bk.
Pennock—State Bank of Pennock.
Pequot—Farmers State Bank.
Perham—First National Bank.
Perham—State Bank of Perham.
Perley—First State Bank.
Peterson—Peterson State Bank.
Pierz—Farmers & Merchants State Bank.
Pierz—Pierz State Bank.
Pillager—Security State Bank.
Pine City—Farmers & Merchants State Bank.
Pine City—First National Bank.
Pine Creek—First State Bank.
Pine Island—Citizens State Bank.
Pine Island—State Bank of Pine Island.
Pine River—Farmers State Bank.
Pine River—First National Bank.
Pinewood—Peoples State Bank.
Pipestone—First National Bank.
Pipestone—Pipestone National Bank.
Pipestone—Security State Bank.
Plainview—First National Bank.
Plainview—Plainview State Bank.
Plato—State Bank of Plato
Plummer—Farmers State Bank of Plummer, Inc.
Plummer—First State Bank.
Ponsford—Ponsford State Bank.
Porter—Farmers State Bank of Porter.
Porter—State Bank of Porter.
Preston—Farmers & Merchants State Bank.
Preston—First National Bank.
Princeton—First National Bank.
Princeton—Princeton State Bank.
Princeton—Security State Bank.
Prinsburg—Prinsburg State Bank.
Prior Lake—Prior Lake State Bk.
Proctor—First National Bank.
Prosper—State Line Bank.
Quamba—Quamba State Bank.
Racine—Racine State Bank.
Radium—Farmers State Bank of Radium.
Randall—Farmers & Merchants State Bank.
Randall—Randall State Bank.
Randolph—Randolph State Bank.
Ranier—American State Bank.
Rapidan—Farmers State Bank.
Ray—Ray State Bank.
Raymond—Farmers State Bank.
Raymond—First National Bank.
Reading—State Bank of Reading.
Red Lake Falls—Citizens State Bank.
Red Lake Falls—Farmers National Bank.
Red Lake Falls—First State Bank.
Red Lake Falls—Merchants State Bank.
Red Wing—First National Bank.
Red Wing—First Security State Bank.
Red Wing—Goodhue County National Bank.
Red Wing—Goodhue County Savings Bank.
Red Wing—Red Wing State Bk.
Redwood Falls—Farmers State Bank of Redwood Falls, Inc.
Redwood Falls—First National Bank.
Redwood Falls—Southern Minnesota Joint Stock Land Bank.
Redwood Falls—State Bank of Redwood Falls.
Remer—First State Bank.
Renville—First National Bank.
Renville—O'Conner Bros. State Bank.
Renville—Renville State Bank.
Revere—State Bank of Revere.
Rice—Rice National Bank.
Richmond—American State Bank of Richmond.
Richmond—State Bank of Richmond.
Richville—Farmers State Bank.
Riverton—First State Bank.
Robbinsdale—Security State Bk.
Rochester—First National Bank.

- Rochester—First State Bank.
 Rochester—Olmsted County State Bank.
 Rochester—Peoples State Bank.
 Rochester — Rochester Loan & Trust Co.
 Rochester—Rochester National Bank.
 Rochester—Union National Bank.
 Rock Creek—Farmers State Bk.
 Rockford—Farmers State Bank.
 Rockford—State Bank of Rockford.
 Rockville—State Bank of Rockville.
 Rogers—State Bank of Rogers.
 Rollingsstone—First State Bank.
 Roosevelt—First State Bank.
 Roscoe—First State Bank of Roscoe—Zions P. O.
 Roseau—Citizens State Bank.
 Roseau—Farmers & Merchants State Bank.
 Roseau—First National Bank.
 Rose Creek—State Bank of Rose Creek.
 Rosemount—First National Bank.
 Rosewood—Farmers State Bank.
 Rothsay—Farmers State Bank.
 Rothsay—First State Bank.
 Round Lake — State Bank of Round Lake.
 Round Prairie — Farmers State Bank.
 Royalton—Farmers & Merchants State Bank.
 Royalton—First National Bank.
 Rush City—First National Bank.
 Rush City—State Bank of Rush City.
 Rushford—First National Bank.
 Rushford—Rushford State Bank.
 Rushmore—First National Bank.
 Rushmore—Rushmore State Bk.
 Russell—Farmers State Bank.
 Russell—First State Bank.
 Ruthton—Ruthton State Bank.
 St. Bonifacius — Farmers State Bank of St. Bonifacius, Inc.
 St. Charles—Citizens State Bank.
 St. Charles—First National Bank.
 St. Clair—St. Clair State Bank.
 St. Cloud—Farmers State Bank.
 St. Cloud—First National Bank.
 St. Cloud—Merchants National Bank.
 St. Cloud—Security State Bank.
 St. Cloud—St. Cloud State Bank, East St. Cloud.
 St. Cloud—Zapp State Bank.
 St. Francis—St. Francis State Bk.
 St. Hilaire—Farmers State Bank.
 St. Hilaire—Merchants State Bk.
 St. James—Citizens and Security National Bank.
 St. James—Farmers & Merchants State Bank, Inc.
 St. James—First National Bank.
 St. Joseph—Farmers State Bank.
 St. Joseph—First State Bank.
 St. Leo—Farmers State Bank.
 St. Leo—First State Bank.
 St. Martin—St. Martin State Bk.
 St. Michael—State Bank of St. Michael.
 St. Paul—American National Bk.
 St. Paul—Capital National Bank.
 St. Paul—Capital Trust & Savings Bank.
 St. Paul—Central Metropolitan Bank.
 St. Paul—Central Trust & Savings Bank.
 St. Paul—Cherokee State Bank.
 St. Paul—Citizens State Bank.
 St. Paul—City Bank of St. Paul.
 St. Paul—Commercial State Bank.
 St. Paul—Daytons Bluff State Bk.
 St. Paul—East Side State Bank.
 St. Paul—First National Bank.
 St. Paul—Great Northern State Bank.
 St. Paul—Liberty State Bank.
 St. Paul—F. E. Magraw.
 St. Paul—Merchants National Bk.
 St. Paul—Merchants Trust & Savings Bank.
 St. Paul — Minnesota Transfer State Bank.
 St. Paul—Mounds Park State Bk.
 St. Paul—National Exchange Bk.
 St. Paul—N. W. Mutual Life Ins. Co.
 St. Paul—Northwestern Trust Co.
 St. Paul — Payne Avenue State Bank.

- St. Paul—Peoples Bank of St. Paul.
St. Paul—Produce Exchange Bk.
St. Paul—Ramsey County State Bank.
St. Paul—St. Anthony Park State Bank.
St. Paul—St. Paul State Bank.
St. Paul—Security State Bank.
St. Paul—Snelling State Bank.
St. Paul—State Savings Bank.
St. Paul—Twin City National Bk.
St. Paul—Western State Bank.
St. Peter—Citizens State Bank.
St. Peter—First National Bank.
St. Peter—Nicollet County Bank.
St. Stephen—St. Stephen State Bk.
St. Vincent—Farmers & Merchants State Bank.
Sabin—Sabin State Bank.
Sacred Heart—Farmers State Bk.
Sacred Heart—State Bank of Sacred Heart.
Salol—Salol State Bank.
Sanborn—Farmers State Bank.
Sanborn—Sanborn State Bank.
Sandstone—First National Bank.
Sandstone—Security State Bank.
Santiago—Santiago State Bank.
Sargeant—State Bank of Sargeant.
Sauk Center—First State Bank.
Sauk Center—Merchants National Bank.
Sauk Rapids—Benton County State Bank.
Sauk Rapids—Citizens State Bk.
Savage—First State Bank.
Scandia—Farmers State Bank.
Scandia—Scandia State Bank.
Seaforth—Security State Bank.
Searles—Searles State Bank.
Sebeka—Farmers State Bank.
Sebeka—First State Bank.
Sedan—Farmers & Merchants State Bank.
Shafer—Shafer State Bank.
Shakopee—First National Bank.
Shelly—Farmers State Bank.
Shelly—State Bank of Shelly.
Sherburn—Bank of Sherburn.
Sherburn—Farmers State Bank.
Sherburn—Sherburn National Bk.
Shevlin—First State Bank.
Silver Creek—First State Bank.
Silver Lake—Citizens State Bank.
Silver Lake—Farmers & Merchants State Bank.
Simpson—Farmers State Bank.
Skyberg—Security State Bank.
Slayton—Citizens State Bank.
Slayton—First National Bank.
Slayton—State Bank of Slayton.
Sleepy Eye—Farmers & Merchants State Bank.
Sleepy Eye—First National Bank.
Sleepy Eye—State Bank of Sleepy Eye.
Solway—Solway State Bank.
South Haven—First State Bank.
South St. Paul—Drovers State Bank.
South St. Paul—Exchange State Bank, Inc.
South St. Paul—Live Stock State Bank.
South St. Paul—Stock Yards National Bank.
South Stillwater—First State Bk.
Spicer—Green Lake State Bank.
Spoonerville—The State Bank of Spoonerville.
Springfield—Farmers State Bank.
Springfield—First National Bank.
Springfield—State Bk. of Springfield.
Spring Grove—Onsgard State Bk.
Spring Grove—State Bank of Spring Grove.
Spring Lake—Peoples State Bank.
Spring Valley—Farmers State Bk.
Spring Valley—First Nat'l Bank.
Spring Valley—First State Bank of Spring Valley.
Stacy—First State Bank of Stacy.
Stanchfield—First State Bank.
Stanton—State Bank of Stanton.
Staples—City National Bank.
Staples—First National Bank.
Staples Peoples State Bank.
Starbuck—First National Bank.
Starbuck—Security State Bank.
Steen—Farmers State Bank.
Stephen—Farmers State Bank.
Stephen—First National Bank.
Stephen—State Bank of Stephen.

- Stewart—Farmers & Merchants State Bank.
 Stewart—Stewart State Bank.
 Stewartville—First National Bk.
 Stewartville—First State Bank.
 Stillwater—Cosmopolitan State Bank.
 Stillwater—Farmers & Merchants State Bank.
 Stillwater—First National Bank.
 Stockton—Farmers State Bank.
 Storden—Farmers State Bank.
 Storden—First State Bank.
 Strandquist—Farmers & Merchants State Bank.
 Strathcona—Strathcona State Bk.
 Sturgeon Lake—Sturgeon Lake State Bank.
 Sunburg—Farmers State Bank.
 Sunrise—Farmers State Bank of Sunrise.
 Svea—State Bank of Svea.
 Swanville—First National Bank.
 Swanville—First State Bank.
 Swatara—First State Bank.
 Swift Falls—Swift State Bank.
 Syre—First State Bank.
 Tabor—Tabor State Bank.
 Tamarack—First State Bank.
 Taopi—First State Bank.
 Taunton—State Bank of Taunton.
 Taylors Falls—Stannard State Bk.
 Tenney—State Bank of Tenney.
 Tenstrike—Beltrami County State Bank.
 Theilman—Theilman State Bank.
 Thief River Falls—Citizens State Bank.
 Thief River Falls—Farmers & Merchants State Bank.
 Thief River Falls—First National Bank.
 Thief River Falls—First & Peoples State Bank.
 Thorpe—First State Bank.
 Tintah—Farmers State Bank.
 Tower—First State Bank.
 Tracy—Citizens State Bank.
 Tracy—Farmers & Merchants State Bank.
 Tracy—First National Bank.
 Trail—Trail State Bank.
 Triumph—Commercial State Bk.
 Triumph—Triumph State Bank.
 Trommald—Trommald State Bk.
 Trosky—Citizens State Bank.
 Truman—Peoples State Bank.
 Truman—Truman National Bank.
 Twin Lakes—Twin Lakes State Bank.
 Twin Valley—Citizens State Bk.
 Twin Valley—First National Bk.
 Twin Valley—Security State Bk.
 Two Harbors—Commercial State Bank.
 Two Harbors—First State Bank.
 Tyler—Citizens State Bank.
 Tyler—First National Bank.
 Ulen—First National Bank.
 Ulen—Ulen State Bank.
 Underwood—Farmers State Bank.
 Underwood—First State Bank.
 Upsala—Farmers State Bank.
 Urbank—Urbank Farmers State Bank.
 Utica—First State Bank of Utica.
 Verdi—State Bank of Verdi.
 Vergas—Farmers State Bank.
 Verndale—Farmers & Merchants State Bank.
 Verndale—First National Bank.
 Vernon Center—Farmers State Bank.
 Vernon Center—Vernon Center State Bank.
 Vesta—State Bank of Vesta.
 Viking—State Bank of Viking.
 Villard—Farmers State Bank.
 Villard—Villard State Bank.
 Vining—Lunds State Bank.
 Virginia—American Exchange Bk.
 Virginia—Farmers & Merchants State Bank.
 Virginia—State Bank of Virginia.
 Wabasha—Farmers & Merchants State Bank.
 Wabasha—First National Bank.
 Wabasso—Citizens State Bank.
 Wabasso—Farmers State Bank.
 Waconia—Citizens State Bank.
 Waconia—Farmers State Bank.
 Wadena—First National Bank.
 Wadena—Merchants National Bk.
 Wadena—Wadena County State Bank.
 Wahkon—The Soo State Bank.

- Waldorf—Security State Bank.
Walker—Farmers State Bank of Walker.
Walker—First National Bank.
Walnut Grove—First State Bank.
Walnut Grove—Walnut Grove State Bank.
Walters—State Bank of Walters.
Waltham—Waltham State Bank.
Wanamingo—Farmers State Bk.
Wanamingo—Security State Bank.
Wanda—State Bank of Wanda.
Wannaska—Farmers State Bank.
Warba—Warba State Bank.
Warren—First National Bank.
Warren—State Bank of Warren.
Warren—Warren National Bank.
Warroad—First National Bank.
Warroad—Security State Bank.
Waseca—Farmers National Bank.
Waseca—First National Bank.
Waseca—Security State Bank.
Watertown—First National Bank.
Watertown—State Bank of Watertown.
Waterville—First National Bank.
Waterville—Security State Bank.
Watkins—Farmers State Bank.
Watkins—Watkins State Bank.
Watson—Farmers State Bank.
Watson—First State Bank.
Waubun—Farmers State Bank.
Waubun—Waubun State Bank.
Waverly—Citizens State Bank.
Waverly—State Bank of Waverly.
Wayzata—Wayzata State Bank.
Weaver—Weaver State Bank.
Webster—State Bank of Webster.
Wegdahl—Farmers State Bank.
Welch—Farmers State Bank.
Welcome—Welcome National Bk.
Welcome—Welcome State Bank.
Wells—Citizens State Bank of Wells, Inc.
Wells—First National Bank.
Wells—Wells National Bank.
Wendell—First National Bank.
Westbrook—Citizens State Bank.
Westbrook—First National Bank.
Westbury—Westbury State Bank.
West Concord—Farmers & Merchants State Bank.
West Concord—First National Bank.
Bank.
Westport—State Bank of Westport.
West Union—West Union State Bank.
Whalan—Whalan State Bank.
Wheaton—First National Bank.
Wheaton—National Bank of Wheaton.
Wheaton—State Bk. of Wheaton.
White Bear—First National Bank.
White Bear Lake—First State Bk.
White Rock—White Rock State Bank.
Wilder—Farmers State Bank.
Williams—First State Bank.
Willmar—Bank of Willmar.
Willmar—Farmers Security State Bank.
Willmar—First National Bank.
Willmar—Kandiyohi County Bk.
Willow River—State Bank of Willow River.
Wilmont—Farmers State Bank.
Wilmont—First National Bank.
Windom—Farmers State Bank.
Windom—First National Bank.
Windom—Windom National Bk.
Winger—Farmers State Bank.
Winger—Winger State Bank.
Winnebago—Blue Earth Valley National Bank.
Winnebago—First National Bank.
Winnebago—Winnebago State Bk.
Winona—Deposit Bank of Winona.
Winona—First National Bank.
Winona—First Trust & Savings Bank.
Winona—Merchants Bank.
Winona—Winona National Bank.
Winona—Winona Savings Bank.
Winsted—Farmers State Bank.
Winsted—State Bank of Winsted.
Winthrop—First National Bank.
Winthrop—State Bank of Winthrop.
Withrow—Withrow State Bank.
Wolverton—Wolverton State Bk.
Wood Lake—State Bank of Wood Lake.
Woodstock—First National Bank.
Worthington—Citizens National

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|-------------------------------|-------------------------------|
| Bank. | Young America—State Bank of |
| Worthington — Worthington Na- | Young America. |
| tional Bank. | Zimmerman — Farmers & Mer- |
| Wright—Wright State Bank. | chants State Bank. |
| Wykoff—Exchange State Bank. | Zumbro—Falls—Farmers & Mer- |
| Wykoff—First State Bank. | chants State Bank. |
| Wylie—First State Bank of Wy- | Zumbrota — Goodhue County |
| lie. | State Bank. |
| Wyoming—First State Bank. | Zumbrota—Security State Bank. |

Members of the Minnesota Bankers Association

GROUP AND COUNTY DIVISIONS

First District Group

OFFICERS

President—G. H. HAVEN, First State Bank, Chatfield.
 Vice President—A. V. GARDNER First National Bank, Winona.
 Secretary-Treasurer—W. N. PARKHURST, National Farmers Bank, Kasson.
 Other Members of Executive Committee—P. D. BEAULIEU, Austin National Bank, Austin; J. G. ROBERTSON, Rushford State Bank, Rushford.

Dodge County

Claremont—Farmers State Bank.
 Claremont—State Bank of Claremont.
 Dodge Center—Farmers National Bank.
 Dodge Center—First National Bk.
 Hayfield—Citizens State Bank.
 Hayfield—Farmers State Bank.
 Kasson—National Bank of Dodge County.
 Kasson—National Farmers Bank of Kasson.
 Mantorville—First State Bank.
 West Concord—Farmers & Merchants State Bank.
 West Concord—First National Bank.

NO NON-MEMBER BANKS

Fillmore County

Canton—First State Bank.
 Chatfield—First National Bank.
 Chatfield—First State Bank.
 Fountain—First State Bank.
 Granger—Granger State Bank.
 Harmony—First National Bank.
 Harmony—Peoples State Bank.
 Lanesboro—First National Bank.

Lanesboro—Scanlan Habberstad State Bank.

Mabel—First National Bank.
 Mabel—First State Bank.
 Ostrander—Ostrander State Bk.
 Peterson—Peterson State Bank.
 Preston—Farmers and Merchants State Bank.

Preston—First National Bank.
 Prosper—State Line Bank.
 Rushford—First National Bank.
 Rushford—Rushford State Bank.
 Spring Valley—Farmers State Bk.
 Spring Valley—First National Bk.
 Spring Valley—First State Bank of Spring Valley.

Whalan—Whalan State Bank.
 Wykoff—Exchange State Bank.
 Wykoff—First State Bank.

NON-MEMBER BANK

Harmony—Harmony State Bank.

Freeborn County

Albetr Lea—Albert Lea State Bk.
 Albert Lea—Citizens National Bk.
 Albert Lea—First National Bank.
 Albert Lea—Freeborn County State Bank.
 Alden—First National Bank.

Alden—Security State Bank of Alden.
 Armstrong—Armstrong State Bk.
 Clarks Grove—State Bank of Clarks Grove.
 Conger—State Bank of Conger.
 Emmons—Farmers & Merchants State Bank.
 Emmons—First National Bank.
 Freeborn—First State Bank.
 Geneva—Geneva State Bank.
 Glenville—Citizens State Bank.
 Glenville—First State Bank.
 Gordonsville—Farmers State Bk.
 Hartland—Farmers State Bank.
 Hartland—State Bank of Hartland.
 Hayward—Farmers State Bank.
 London—London State Bank.
 Manchester—Manchester State Bank.
 Myrtle—First State Bank.
 Oakland—State Bank of Oakland.
 Twin Lakes—Twin Lakes State Bank.

NO NON-MEMBER BANKS

Houston County

Brownsville—Brownsville State Bank.
 Caledonia—Caledonia State Bank.
 Caledonia—First National Bank.
 Caledonia—Sprague State Bank.
 Eitzen—Eitzen State Bank.
 Freeburg—Freeburg State Bank.
 Hokah—Farmers State Bank.
 Hokah—Hokah State Bank.
 Houston—Houston State Bank.
 Houston—Security State Bank.
 La Crescent—La Crescent State Bank.
 Spring Grove—Onsgard State Bk.
 Spring Grove—State Bank of Spring Grove.

NO NON-MEMBER BANKS

Mower County

Adams—Farmers State Bank.
 Adams—First National Bank.
 Austin—Austin National Bank.
 Austin—Farmers & Merchants State Bank.

Austin—First National Bank.
 Dexter—First State Bank.
 Elkton—Farmers State Bank.
 Grand Meadow—Exchange State Bank.
 Grand Meadow—First National Bank.
 Lansing—Lansing State Bank.
 Le Roy—First National Bank.
 Le Roy—First State Bank.
 Lyle—Farmers State Bank.
 Lyle—First National Bank.
 Racine—Racine State Bank.
 Rose Creek—State Bank of Rose Creek.
 Sargeant—State Bank of Sargeant.
 Taopi—First State Bank.
 Waltham—Waltham State Bank.

NON-MEMBER BANK

Brownsdale — State Bank of Brownsdale.

Olmsted County

Byron—State Bank of Byron.
 Douglas—Douglas State Bank.
 Dover—First State Bank.
 Eyota—Citizens State Bank.
 Eyota—Farmers State Bank.
 Oronoco—Oronoco State Bank.
 Rochester—First National Bank.
 Rochester—First State Bank.
 Rochester—Olmsted County State Bank.
 Rochester—Peoples State Bank.
 Rochester—Rochester Loan & Trust Co.
 Rochester—Rochester National Bank.
 Rochester—Union National Bank.
 Simpson—Farmers State Bank.
 Stewartville—First National Bk.
 Stewartville—First State Bank.

NO NON-MEMBER BANKS

Steele County

Bixby—State Bank of Bixby.
 Blooming Prairie—Farmers & Merchants State Bank.
 Blooming Prairie—First National Bank.
 Ellendale—Ellendale State Bank.

Ellendale—Security State Bank.
 Hope—Farmers State Bank.
 (P. O. Owatonna.)
 Medford—First State Bank.
 Meriden—First State Bank.
 Owatonna—First National Bank.
 Owatonna—National Farmers Bk.
 Owatonna—Security State Bank.

NO NON-MEMBER BANKS

Wabasha County

Elgin—First State Bank.
 Hammond—Hammond State Bk.
 Kellogg—Kellogg State Bank.
 Lake City—Citizens Bank.
 Lake City—Lake City Bank of Minnesota.
 Lake City—Security State Bank.
 Mazeppa—Bank of Mazeppa.
 Millville—Millville State Bank.
 Minneiska—Farmers State Bank.
 Plainview—First National Bank.
 Plainview—Plainview State Bank.
 Theilman—Theilman State Bank.
 Wabasha—Farmers & Merchants State Bank.

Wabasha—First National Bank.
 Weaver—Weaver State Bank.
 Zumbro Falls—Farmers & Merchants State Bank.

NON-MEMBER BANKS

Elgin — Farmers & Merchants State Bank.
 Hammond—Farmers State Bank.
 Mazeppa—Peoples State Bank.

Waseca County

Janesville—Citizens State Bank.
 Janesville—Janesville State Bank.
 Matawan—Citizens State Bank.
 New Richland—First National Bk.
 New Richland—State Bank of New Richland.

Otisco—Otisco State Bank.
 Waldorf—Security State Bank.
 Waseca—Farmers National Bank.
 Waseca—First National Bank.
 Waseca—Security State Bank.

NO NON-MEMBER BANKS

Winona County

Altura—Altura State Bank.
 Dakota—Dakota State Bank.
 Lewiston—First State Bank.
 Lewiston—Security State Bank.
 Rollingstone—First State Bank.
 St. Charles—Citizens State Bank.
 St. Charles—First National Bank.
 Stockton—Farmers State Bank.
 Utica—First State Bank of Utica.
 Winona—Deposit Bk. of Winona.
 Winona—First National Bank.
 Winona—First Trust & Savings Bank.
 Winona—Merchants Bank.
 Winona—Winona National Bank.
 Winona—Winona Savings Bank.

NON-MEMBER BANKS

Winona—The Merchants Trust Co.
 Winona—Deposit Trust & Savings Bank.

Second District Group

OFFICERS

President—J. E. RORMAN, First National Bank, Winnebago.
 Vice President—HANS MO, State Bank of Sleepy Eye, Sleepy Eye.
 Secretary-Treasurer—J. J. MALONEY, Farmers State Bank, Heron Lake.
 Other Members of Executive Committee—H. A. BALDWIN, First National Bank, Redwood Falls; WM. JACOBSEN, First National Bank, Luverne.

Blue Earth County

Amboy—First National Bank.
 Amboy—Minnesota State Bank.
 Eagle Lake—State Bank of Eagle Lake.

Garden City—Farmers State Bk.
 Good Thunder—State Bank of Good Thunder.
 Judson—Farmers State Bank.
 Lake Crystal—American National Bank.

Lake Crystal—Farmers & Merchants State Bank.

Lake Crystal—First National Bk.

Madison Lake—Peoples State Bk.

Mankato—American State Bank.

Mankato—Citizens Loan & Trust Co.

Mankato—First National Bank.

Mankato—Mankato Loan & Trust Co.

Mankato—Mankato Savings Bk.

Mankato—Mankato State Bank.

Mankato—National Bank of Commerce.

Mankato—National Citizens Bk.

Mapleton—Mapleton State Bank.

Mapleton—First National Bank.

Pemberton—Farmers State Bank.

Pemberton—Pemberton State Bk.

Rapidan—Farmers State Bank.

St. Clair—St. Clair State Bank.

Vernon Center—Farmers State Bank.

Vernon Center—Vernon Center State Bank.

NON-MEMBER BANKS

Cambria—Cambria State Bank.

Good Thunder—First National Bank.

Mankato—Commercial State Bk.

Brown County

Cobden—State Bank of Cobden.

Comfrey—Farmers State Bank.

Comfrey—First State Bank.

Dotson—Farmers State Bank.

Essig—State Bank of Essig.

Evan—State Bank of Evan.

Hanska—First National Bank.

Hanska—State Bank of Hanska.

New Ulm—Brown County Bank.

New Ulm—Citizens State Bank.

New Ulm—Farmers & Merchants State Bank.

New Ulm—State Bank of New Ulm.

Searles—Searles State Bank.

Sleepy Eye—Farmers & Merchants State Bank.

Sleepy Eye—First National Bank.

Sleepy Eye—State Bank of Sleepy Eye.

Springfield—Farmers State Bank.

Springfield—First National Bank.

Springfield—State Bk. of Springfield.

NON-MEMBER BANK

New Ulm—Farmers Trust & Savings Bank.

Cottonwood County

Bingham Lake—First State Bank.

Delft—State Bank of Delft, Inc.

Jeffers—Farmers State Bank.

Jeffers—State Bank of Jeffers.

Mountain Lake—Farmers State Bank.

Mountain Lake—First National Bank.

Mountain Lake—First State Bk.

Storden—Farmers State Bank.

Storden—First State Bank.

Westbrook—Citizens State Bank.

Westbrook—First National Bank.

Windom—Farmers State Bank.

Windom—First National Bank.

Windom—Windom National Bk.

NO NON-MEMBER BANKS

Faribault County

Blue Earth—Blue Earth State Bk.

Blue Earth—Farmers National

Bank.

Blue Earth—First National Bank.

Bricelyn—First National Bank.

Bricelyn—State Bank of Bricelyn.

Delavan—Farmers State Bank.

Delavan—Security State Bank.

Easton—Easton State Bank.

Easton—Farmers State Bank.

Elmore—Farmers State Bank.

Elmore—First National Bank.

Frost—State Bank of Frost.

Guckeen—Citizens State Bank.

Huntley—Farmers State Bank.

Kiester—First National Bank.

Minnesota Lake—Farmers National Bank.

Minnesota Lake—First National Bank.

Walters—State Bank of Walters.

Wells—Citizens State Bank of Wells, Inc.

Wells—First National Bank.

Wells—Wells National Bank.
 Winnebago—Blue Earth Valley
 National Bank.
 Winnebago—First National Bank.
 Winnebago—Winnebago State
 Bank.

NO NON-MEMBER BANKS

Jackson County

Alpha—Farmers & Merchants
 State Bank.
 Alpha—State Bank of Alpha.
 Heron Lake—Farmers State Bk.
 Heron Lake—First National Bk.
 Jackson—Brown National Bank.
 Jackson—First National Bank.
 Jackson—Jackson National Bank.
 Lakefield—Farmers State Bank.
 Lakefield—First National Bank.
 Lakefield—Jackson County State
 Bank.
 Okabena—First State Bank.
 Wilder—Farmers State Bank.

NO NON-MEMBER BANKS

Lincoln County

Arco—Farmers State Bank.
 Hendricks—Farmers National Bk.
 Hendricks—First National Bank.
 Ivanhoe—Farmers & Merchants
 National Bank.
 Ivanhoe—First National Bank.
 Lake Benton—Farmers State Bk.
 Lake Benton—First National Bk.
 Lake Benton—National Citizens
 Bank.
 Tyler—Citizens State Bank.
 Tyler—First National Bank.
 Verdi—State Bank of Verdi.

NON-MEMBER BANK

Tyler—Farmers State Bank.

Martin County

Ceylon—First National Bank.
 Ceylon—State Bank of Ceylon.
 Dunnell—First National Bank.
 East Chain—East Chain State Bk.
 (Fairmont P. O.)
 Fairmont—Fairmont National Bk.
 Fairmont—Citizens National Bk.
 Fairmont—First National Bank.

Fairmont—The Martin County
 National Bank.

Granada—First National Bank.
 Granada—Granada State Bank.
 Monterey—Farmers State Bank.
 Monterey—Peoples State Bank.
 Northrop—Northrop Peoples
 State Bank.

Sherburn—Bank of Sherburn.
 Sherburn—Farmers State Bank.
 Sherburn—Sherburn National Bk.
 Triumph—Commercial State Bk.
 Triumph—Triumph State Bank.
 Truman—Peoples State Bank.
 Truman—Truman National Bank.
 Welcome—Welcome National Bk.
 Welcome—Welcome State Bank.

NON-MEMBER BANKS

*Dunnell—Farmer & Merchants
 State Bank.*

*Dunnell—State Bank of Dunnell.
 Fox Lake—Fox Lake State Bank.*

Murray County

Avoca—First National Bank.
 Chandler—State Bk. of Chandler.
 Currie—Farmers State Bank.
 Currie—First State Bank.
 Dovray—State Bank of Dovray.
 Fulda—Citizens State Bank.
 Fulda—First National Bank.
 Hadley—State Bank of Hadley.
 Iona—Farmers State Bank.
 Iona—First National Bank.
 Lake Wilson—First National Bk.
 Lake Wilson—State Bank of
 Lake Wilson.

Slayton—Citizens State Bank.
 Slayton—First National Bank.
 Slayton—State Bank of Slayton.

NO NON-MEMBER BANKS

Nobles County

Adrian—Adrian State Bank.
 Adrian—First National Bank.
 Adrian—National Bk. of Adrian.
 Bigelow—State Bank of Bigelow.
 Brewster—Brewster State Bank.
 Brewster—First National Bank.
 Dundee—State Bank of Dundee.
 Ellsworth—First National Bank.
 Ellsworth—Ellsworth State Bank.

Kinbrae—Kinbrae State Bank.
 Lismore—Lismore Farmers State Bank.
 Lismore—State Bank of Lismore.
 Reading—State Bank of Reading.
 Round Lake—Farmers State Bk.
 Round Lake — State Bank of Round Lake.
 Rushmore—First National Bank.
 Rushmore—Rushmore State Bk.
 Wilmont—Farmers State Bank.
 Wilmont—First National Bank.
 Worthington—Citizens National Bank.
 Worthington—Worthington National Bank.

NON-MEMBER BANK

Worthington — State Bank of Worthington.

Pipestone County

Edgerton—Security State Bank.
 Edgerton—State Bank of Edgerton.
 Hatfield—Farmers State Bank.
 Holland—Holland State Bank.
 Ihlen—Ihlen State Bank.
 Jasper—Farmers State Bank.
 Jasper—First National Bank.
 Pipestone—First National Bank.
 Pipestone — Pipestone National Bank.
 Pipestone—Security State Bank.
 Ruthton—Ruthton State Bank.
 Trosky—Citizens State Bank.
 Woodstock—First National Bk.

NON-MEMBER BANKS

Holland—First National Bank.
Ruthton—Farmers & Merchants Bank of Ruthton, Inc.

Redwood County

Belview—Farmers State Bank.
 Belview—State Bank of Belview.
 Clements—State Bk. of Clements.
 Delhi—Farmers & Merchants State Bank.
 Lamberton—First National Bank.
 Lamberton—State Bank of Lamberton.
 Lucan—Lucan State Bank.

Milroy—State Bank of Milroy.
 Morgan—Farmers & Merchants State Bank.
 Morgan—State Bank of Morgan.
 North Redwood—Security State Bank.
 Redwood Falls — First National Bank.
 Redwood Falls — Farmers State Bank of Redwood Falls, Inc.
 Redwood Falls—Southern Minnesota Joint Stock Land Bank.
 Redwood Falls—State Bank of Redwood Falls.
 Revere—State Bank of Revere.
 Sanborn—Farmers State Bank.
 Sanborn—Sanborn State Bank.
 Seaforth—Security State Bank.
 Vesta—State Bank of Vesta.
 Wabasso—Citizens State Bank.
 Wabasso—Farmers State Bank.
 Walnut Grove—First State Bank.
 Walnut Grove—Walnut Grove State Bank.
 Wanda—State Bank of Wanda.

NO NON-MEMBER BANKS

Rock County

Ashcreek—Ashcreek State Bank.
 Beaver Creek — Beaver Creek State Bank.
 Beaver Creek—First National Bk.
 Hardwick—Farmers State Bank.
 Hardwick—Security State Bank.
 Hills—Farmers State Bank.
 Hills—First National Bank.
 Kanaranzi—Farmers State Bank.
 Kenneth—Kenneth State Bank.
 Luverne—Farmers National Bank.
 Luverne—First National Bank.
 Luverne—National Bank of Luverne.

Luverne—Rock County Bank.
 Magnolia—Magnolia State Bank.
 Steen—Farmers State Bank.

NON-MEMBER BANK

Steen—State Bank of Steen.

Watsonwan County

Butterfield—Peoples State Bank.
 Butterfield—State Bank of Butterfield.

Darfur—State Bank of Darfur.
 La Salle—State Bank of La Salle.
 Lewisville—Merchants State Bk.
 Madelia—Farmers State Bank of
 Madelia, Inc.
 Madelia—First National Bank.
 Madelia—State Bank of Madelia.
 Odin—Odin State Bank.

Ormsby—Farmers State Bank.
 St. James—Citizens and Security
 National Bank.
 St. James—Farmers & Merchants
 State Bank, Inc.
 St. James—First National Bank.
 NO NON-MEMBER BANKS

Third District Group

OFFICERS

President—O. J. SCHUMACHER, Drovers State Bank, South St. Paul.
 Vice President—JOHN BOOCK, Faribault State Bank, Faribault.
 Secretary-Treasurer—HENRY THOENY, First National Bank, Glencoe.
 Other Members of Executive Committee—J. F. LUZINGER, First National
 Bank, Forest Lake; N. H. OLSON, Citizens State Bank, St. Peter.

Carver County

Augusta—State Bank of Augusta.
 Bongards—Farmers State Bank.
 Carver—First State Bank of Car-
 ver.
 Chanhassen—State Bank of Chan-
 hassen.
 Chaska—Carver County State Bk.
 Chaska—First National Bank.
 Cologne—State Bank of Cologne.
 Hamburg—State Bank of Ham-
 burg.
 Mayer—State Bank of Mayer.
 Motordale—First National Bank.
 Motordale—State Bank of New
 Germany.
 Norwood—Bank of Norwood.
 Norwood—Citizens State Bank.
 Waconia—Citizens State Bank.
 Waconia—Farmers State Bank.
 Watertown—First National Bank.
 Watertown—State Bank of Wa-
 tertown.
 Young America—State Bank of
 Young America.

NON-MEMBER BANKS

Cologne—Citizens State Bank.
 Victoria—Victoria State Bank.
 Waconia—First National Bank.

Dakota County

Castle Rock—First State Bank of
 Castle Rock, Inc.
 Farmington—Farmington State
 Bank.

Farmington—First National Bk.
 Hampton—State Bank of Hamp-
 ton.
 Hastings—First National Bank.
 Hastings—Hastings National Bk.
 Hastings—Merchants & Farmers
 Bank.
 Lakeville—Farmers State Bank.
 Lakeville—First National Bank.
 Mendota—Mendota State Bank.
 Randolph—Randolph State Bank.
 Rosemount—First National Bank.
 South St. Paul—Drovers State
 Bank.
 South St. Paul—Exchange State
 Bank, Inc.
 South St. Paul—Live Stock State
 Bank.
 South St Paul—Stock Yards Na-
 tional Bank.

NON-MEMBER BANKS

Hampton—Farmers & Merchants
 State Bank.
 Hastings—Farmers Trust Co. ..
 Rosemont—Farmers State Bank.
 South St. Paul—Stockyards Mort-
 gage & Trust Co.
 Vermillion—Vermillion State Bk.

McLeod County

Biscay—First State Bank.
 Brownton—Brownton State Bank.
 Brownton—First State Bank.
 Glencoe—Bank of Glencoe.
 Glencoe—First National Bank.

Glencoe—Peoples State Bank.
 Hutchinson—Citizens Bank.
 Hutchinson—Farmers & Merchants State Bank, Inc.
 Hutchinson—Farmers Nat'l Bank.
 Hutchinson—Hutchinson State Bank.
 Lester Prairie—Farmers State Bank.
 Lester Prairie—State Bank of Lester Prairie.
 Plato—State Bank of Plato.
 Silver Lake—Citizens State Bank.
 Silver Lake—Farmers & Merchants State Bank.
 Stewart—Farmers & Merchants State Bank.
 Stewart—Stewart State Bank.
 Winsted—Farmers State Bank.
 Winsted—State Bank of Winsted.

NON-MEMBER BANKS

Glencoe—Farmers and Public Trust Co.
Sumter—Farmers & Merchants State Bank

Le Sueur County

Cleveland—First State Bank.
 Elysian—Elysian State Bank.
 Kasota—First State Bank.
 Kilkenny—First National Bank.
 Le Sueur—Farmers State Bank.
 Le Sueur—First National Bank.
 Le Sueur Center—First National Bank.
 Le Sueur Center—First State Bk.
 Montgomery—Citizens State Bk.
 Montgomery—First National Bk.
 New Prague—First National Bk.
 New Prague—State Bank of New Prague.

Waterville—First National Bank.
 Waterville—Security State Bank.

NO NON-MEMBER BANKS

Goodhue County

Bellechester—Farmers State Bk.
 Cannon Falls—Citizens State Bk.
 Cannon Falls—Farmers & Merchants National Bank.
 Cannon Falls—Peoples State Bk.
 Dennison—State Bank of Denni-

son.

Frontenac—Frontenac State Bk.
 Goodhue—First National Bank.
 Goodhue—Goodhue State Bank.
 Kenyon—Citizens State Bank.
 Kenyon—Farmers State Bank.
 Kenyon—Kenyon State Bank.
 Pine Island—Citizens State Bank.
 Pine Island—State Bank of Pine Island.

Red Wing—First Security State Bank.

Red Wing—First National Bank.
 Red Wing—Goodhue County National Bank.

Red Wing—Goodhue County Savings Bank.

Red Wing—Red Wing State Bk.
 Skyberg—Security State Bank.

Stanton—State Bank of Stanton.
 Wanamingo—Farmers State Bk.
 Wanamingo—Security State Bk.
 Welch—Farmers State Bank.

White Rock—White Rock State Bank. (P.O. Cannon Falls.)

Zumbrota—Goodhue County State Bank.

Zumbrota—Security State Bank.

NON-MEMBER BANK

Red Wing—Security Loan & Trust Co.

Nicollet County

Courtland—Courtland State Bank.
 Lafayette—Farmers State Bank.
 Lafayette—State Bank of Lafayette.

Nicollet—Farmers & Merchants State Bank.

Nicollet—Nicollet State Bank.

North Mankato—Peoples State Bank.

St. Peters—Citizens State Bank.

St. Peter—First National Bank.

St. Peter—Nicollet County Bank.

NON-MEMBER BANK

Klosner—Klosner State Bank.

Rice County

Dundas—Dundas State Bank.
 Faribault—Citizens National Bk.
 Faribault—Farmers & Merchants State Bank.

Faribault—Faribault State Bank.
Faribault—Security National Bk.
Lonsdale—The State Bank of
Lonsdale.

Morristown—Farmers State Bk.
Morristown—Morristown State
Bank.

Nerstand—Farmers State Bank.

Northfield—First National Bank.

Northfield—Northfield National
Bank.

Northfield—State Bank of North-
field.

Webster—State Bank of Webster.

NO NON-MEMBER BANKS

Scott County

Belle Plaine—First National Bk.
Belle Plaine—State Bank of Belle
Plaine.

Blakeley—Farmers State Bank.

Elko—Elko State Bank.

Jordan—First National Bank of
Jordan.

Jordan—Peoples State Bank.

New Market—First State Bank.

Prior Lake—Prior Lake State Bk.

Savage—First State Bank.

Shakopee—First National Bank.

NON-MEMBER BANKS

Shakopee—Security State Bank.

Shakopee—Peoples National Bk.

Sibley County

Arlington—Farmers & Merchants
Bank.

Arlington—First State Bank.

Gaylord—Citizens State Bank.

Gaylord—First State Bank.

Gibbon—Citizens State Bank.

Gibbon—State Bank of Gibbon.

Green Isle—Citizens State Bank.

Henderson—Farmers & Mer-
chants State Bank.

Henderson—Sibley County Bank.

New Auburn—State Bank of New
Auburn.

Winthrop—First National Bank.

Winthrop—State Bank of Win-
throp.

NO NON-MEMBER BANKS

Washington County

Afton—Citizens State Bank.

Forest Lake—First National Bk.

Forest Lake—Forest Lake State
Bank.

Hugo—First State Bank.

Lake Elmo—State Bank of Lake
Elmo.

Marine on St. Croix—Security
State Bank.

Newport—Farmers Terminal St.
Bank.

Scandia—Farmers State Bank.

Scandia—Scandia State Bank.

South Stillwater—First State Bk.

Stillwater—Cosmopolitan State
Bank.

Stillwater—Farmers & Merchants
State Bank.

Stillwater—First National Bank.

Withrow—Withrow State Bank.

NO NON-MEMBER BANKS

Fourth District Group

(No Group Organization)

Ramsey County

New Brighton—First State Bank.

North St. Paul—First State Bank.

St. Paul—American National Bk.

St. Paul—Capital National Bank.

St. Paul—Capital Trust & Sav-
ings Bank.

S. Paul—Central Metropolitan Bk.

St. Paul—Central Trust & Sav-
ings Bank.

St. Paul—Cherokee State Bank.

St. Paul—Citizens State Bank.

St. Paul—City Bank of St. Paul.

St. Paul—Commercial State Bank.

St. Paul—Daytons Bluff State Bk.

St. Paul—East Side State Bank.

St. Paul—First National Bank.

St. Paul—Great Northern State
Bank.

St. Paul—Liberty State Bank.

St. Paul—Merchants National Bk.

St. Paul—Merchants Trust & Savings Bank.
 St. Paul—Minnesota Transfer State Bank.
 St. Paul—Mounds Park State Bk.
 St. Paul—National Exchange Bk.
 St. Paul—Northwestern Trust Co.
 St. Paul—Payne Avenue State Bk.
 St. Paul—Peoples Bank of St. Paul.
 St. Paul—Produce Exchange Bk.
 St. Paul—Ramsey County State Bank.
 St. Paul—St. Anthony Park State Bank.
 St. Paul—St. Paul State Bank.
 St. Paul—Security State Bank.
 St. Paul—Snelling State Bank.
 St. Paul—State Savings Bank.
 St. Paul—Twin City State Bank.

St. Paul—Western State Bank.
 St. Paul—F. E. Magraw.
 St. Paul—Northwestern Mutual Life Insurance Co.

White Bear—First National Bank.
 White Bear Lake—First State Bk.

NON-MEMBER BANKS

St. Paul—Builders Trust Co.
St. Paul—Cosmopolitan State Bk.
St. Paul—Farmers & Merchants State Bank.
St. Paul—Interurban State Bank.
St. Paul—Midland Trust & Savings Bank of St. Paul.
St. Paul—Northern Savings Bank.
St. Paul—Scandinavian Savings Bank.
St. Paul—Van Sant Trust Co.
St. Paul—Wabasha National Bk.

Fifth District Group

(No Group Organization)

Part of Hennepin County

Minneapolis—American State Bk.
 Minneapolis—Calhoun State Bk.
 Minneapolis—Central State Bank.
 Minneapolis—Chicago-Lake State Bank.
 Minneapolis—Citizens State Bank.
 Minneapolis—East Hennepin State Bank.
 Minneapolis—C. B. Enkeman & Co.
 Minneapolis—Exchange State Bk.
 Minneapolis—Farmers & Mechanics Savings Bank.
 Minneapolis—Fidelity State Bank.
 Minneapolis—First National Bk.
 Minneapolis—Fourth Avenue State Bank.
 Minneapolis—Gold-Stabeck Loan & Credit Co.
 Minneapolis—Harriet State Bank.
 Minneapolis—Lake Street State Bank.
 Minneapolis—Liberty State Bank.
 Minneapolis—Metropolitan National Bank.
 Minneapolis—Midland National Bank.

Minneapolis—Mill City State Bk.
 Minneapolis—Millers & Traders State Bank.
 Minneapolis—Minneapolis National Bank.
 Minneapolis—Minnehaha State Bank.
 Minneapolis—Minneapolis Trust Co.
 Minneapolis—Minnesota Loan & Trust Co.
 Minneapolis—Nokomis State Bk.
 Minneapolis—Northeast State Bk.
 Minneapolis—Northern State Bk.
 Minneapolis—Northwestern National Bank.
 Minneapolis—Payday National Bank.
 Minneapolis—St. Anthony Falls Bank.
 Minneapolis—John F. Sinclair & Co.
 Minneapolis—South Side State Bank.
 Minneapolis—State Bank of Commerce.
 Minneapolis—State Institution for Savings.

- Minneapolis—Twenty-sixth Street State Bank.
 Minneapolis—Union State Bank.
 Minneapolis—University State Bk.
 Minneapolis—Bond & Goodwin.
 Minneapolis—R. P. Dameron.
 Minneapolis—William W. Eastman Co.
 Minneapolis—Lane-Piper & Jaffray, Inc.
 Minneapolis — Lee-Higginson & Co.
 Minneapolis—National City Co.
 Minneapolis—Sheldon Brothers.
 Minneapolis—Stevens & Co.
 Minneapolis — Union Investment Co.
 Minneapolis—Wells-Dickey Trust Co.
NON-MEMBER BANK
 Minneapolis—Scandinavian American Savings Bank.

Sixth District Group

OFFICERS

- President—A. J. HAYES, First National Bank, Brainerd.
 Vice President—W. LEIGH CARY, Merchants National Bank, St. Cloud.
 Secretary-Treasurer—L. E. PERKINS, First National Bank, Verndale.
 Other Members of Executive Committee—R. H. NEILS, Benton County State Bank, Sauk Rapids; EDWARD ZAPP, Zapp State Bank, St. Cloud.

Aitkin County

- Aitkin—Farmers National Bank.
 Aitkin—First National Bank.
 Aitkin—National Bank of Aitkin.
 Hill City—First State Bank.
 McGrath—McGrath State Bank.
 McGregor—McGregor State Bk.
 Palisade—Palisade State Bank.
 Swatara—First State Bank.
 Tamarack—First State Bank.

NON-MEMBER BANKS

- Lawler—Farmers & Merchants State Bank.*
Shovel Lake—Shovel Lake State Bank.

Beltrami County

- Baudette—First National Bank.
 Baudette—Security State Bank.
 Bemidji—Farmers State Bank.
 Bemidji—First National Bank.
 Bemidji—Northern National Bk.
 Bemidji—Security State Bank.
 Black Duck—Black Duck State Bank.
 Black Duck—First National Bk.
 Graceton — Graceton Farmers State Bank.
 Hines—Hines State Bank.
 Kelliher—Citizens State Bank.

- Kelliher—First State Bank.
 Pine Wood—Peoples State Bank.
 Solway—Solway State Bank.
 Spooner—The State Bank of Spooner.

Tenstrike—Beltrami County State Bank.

Williams—First State Bank.

NO NON-MEMBER BANKS

Benton County

- Foley—First National Bank.
 Foley—State Bank of Foley.
 Gilman—First State Bank.
 Oak Park—Oak Park State Bank.
 Rice—Rice National Bank.
 Sauk Rapids — Benton County State Bank.

Sauk Rapids—Citizens State Bk.

NON-MEMBER BANKS

- Rice—First National Bank*
Ronneby—Farmers State Bank.

Cass County

- Backus—Backus State Bank.
 Cass Lake — Cass County State Bank.
 Cass Lake—First National Bank.
 Federal Dam—Federal Dam State Bank.

Pillager—Security State Bank.
 Pine River—Farmers State Bank.
 Pine River—First National Bank.
 Remer—First State Bank.
 Walker—Farmers State Bank of Walker.
 Walker—First National Bank.

NON-MEMBER BANKS

Boy River—First State Bank.
Hackensack—Hackensack St. Bk.

Crow Wing County

Barrows—First State Bank.
 Brainerd—Brainerd State Bank.
 Brainerd—Citizens State Bank.
 Brainerd—Commercial State Bk.
 Brainerd—First National Bank.
 Crosby—First National Bank.
 Crosby—First State Bank.
 Cuyuna—First State Bank.
 Deerwood—First National Bank.
 Fort Ripley—Fort Ripley State Bank.
 Ironton—First National Bank.
 Ironton—First State Bank.
 Jenkins—Jenkins State Bank.
 Pequot—Farmers State Bank.
 Pequot—First National Bank.
 Riverton—First State Bank.
 Trommald—Trommald State Bk.

NON-MEMBER BANK

Manganese—Manganese State Bk.

Hubbard County

Akeley—State Bank of Akeley.
 Dorset—Farmers State Bank.
 Guthrie—Farmers State Bank of Guthrie, Inc.
 Laporte—First State Bank.
 Nevis—State Bank of Nevis.
 Park Rapids—Farmers State Bk.
 Park Rapids—First National Bk.
 Park Rapids—State Bank of Park Rapids.

NO NON-MEMBER BANKS

Morrison County

Bowlus—Morrison County State Bank.
 Buckman—Buckman State Bank.
 (P. O. Pierz.)

Cushing—Farmers State Bank of Cushing, Inc.
 Flensburg—First State Bank.
 Genola—First State Bank.
 Hillman—Farmers State Bank.
 Lastrup—Lastrup State Bank,
 Pierz P. O.

Lincoln—Lincoln State Bank.
 Little Falls—American National Bank.

Little Falls—Commercial State Bank.

Little Falls—First National Bank.
 Little Falls—Merchants State Bk.
 Motley—First National Bank.
 Motley—Peoples State Bank of Motley.

Pierz—Farmers & Merchants State Bank.

Pierz—Pierz State Bank.
 Randall—Farmers and Merchants State Bank.

Randall—Randall State Bank.
 Royalton—Farmers & Merchants State Bank.

Royalton—First National Bank.
 Swanville—First National Bank.
 Swanville—First State Bank.
 Upsala—Farmers State Bank.
 (Little Falls P. O.)

NON-MEMBER BANKS

Little Falls—American Savings & Trust Co.

Little Falls—Peoples State Bank.

Stearns County

Albany—First State Bank.
 Albany—Stearns County State Bk.
 Avon—Avon State Bank.
 Brooten—Farmers State Bank.
 Brooten—Security State Bank.
 Brooten—State Bank of Brooten.
 Cold Spring—First National Bk.
 Cold Spring—State Bank of Cold Spring.

Fairhaven—Farmers State Bank of Fairhaven.

Freeport—Farmers State Bank.
 Freeport—Freeport State Bank.
 Georgeville—Farmers State Bank of Georgeville, Inc.

Greenwald—State Bank of Greenwald.

Holdingford—Farmers State Bk.
Kimball—Farmers State Bank.

Kimball—State Bank of Kimball.
Lake Henry—Lake Henry State Bank.

Melrose—Meire Grove Farmers State Bank. (R. F. D. 3.)

Melrose — Borgerding State Bank.

Melrose—Security State Bank.
New Munich—New Munich State Bank.

Paynesville—First National Bank.
Paynesville—Security State Bank.
Richmond—American State Bank.
Richmond—State Bank of Richmond.

Rockville—State Bank of Rockville.

Roscoe—First State Bank of Roscoe, Zion P. O.

St. Cloud—Farmers State Bank.
St. Cloud—First National Bank.
St. Cloud — Merchants National Bank.

St. Cloud—St. Cloud State Bank.
St. Cloud—Security State Bank.
St. Cloud—Zapp State Bank.

St. Joseph—Farmers State Bank.
St. Joseph—First State Bank.

St. Martin—St. Martin State Bk.
Sauk Center—First State Bank.

Sauk Center—Merchants National Bank.

NON-MEMBER BANKS

Belgrade—North American State Bank.

Belgrade—State Bank of Belgrade.

Elrosa—Elrosa State Bank
Holdingford—Security State Bk.

Paynesville—Citizens State Bank of Paynesville.

St. Cloud—American National Bk.
Sauk Center—First National Bk.

Spring Hill—Farmers State Bank.
Waite Park—Waite Park State Bank.

Todd County

Bertha—Farmers State Bank.

Bertha—First National Bank.

Browerville — Browerville State Bank.

Browerville—First National Bank.
Burtrum—First State Bank.

Clarissa—Clarissa State Bank.

Clarissa—Farmers State Bank.

Eagle Bend—First National Bank.

Eagle Bend—First State Bank.

Grey Eagle—Farmers State Bank.

Grey Eagle—First National Bank.

Grey Eagle—Wilke Bros. Co.

Hewitt—First State Bank.

Little Sauk—Little Sauk State Bk.

Long Prairie — Bank of Long Prairie.

Long Prairie—First National Bk.

Long Prairie — Peoples National Bank.

Round Prairie — Farmers State Bank.

Staples—City National Bank.

Staples—First National Bank.

Staples—Peoples State Bank.

West Union—West Union State Bank.

NO NON-MEMBER BANKS

Wadena County

Aldrich—First State Bank.

Menahga—Farmers & Merchants State Bank.

Menahga—First National Bank.

Sebeka—Farmers State Bank.

Sebeka—First State Bank.

Verndale—Farmers & Merchants State Bank.

Verndale—First National Bank.

Wadena—First National Bank.

Wadena—Merchants National Bk.

Wadena—Wadena County State Bank.

NO NON-MEMBER BANKS

Seventh District Group

OFFICERS

President—THEO. AUNE, Glenwood State Bank, Glenwood.
 Vice President—I. F. FAGERLIE, Clarkfield State Bank, Clarkfield.
 Secretary-Treasurer—R. H. LUNDBERG, Chokio State Bank, Chokio.
 Other Members of Executive Committee—G. W. HUGHES, First National Bank, Glenwood; F. C. THORNTON, First National Bank, Benson.

Big Stone County

Barry—Barry State Bank.
 Beardsley—Citizens State Bank.
 Beardsley—First National Bank.
 Clinton—Clinton State Bank.
 Clinton—First National Bank.
 Correll—Farmers & Merchants State Bank of Correll, Inc.
 Graceville—Big Stone County Bk.
 Graceville—First National Bank.
 Graceville—Graceville State Bank.
 Johnson—Johnson State Bank.
 Odessa—Farmers & Merchants State Bank.
 Odessa—First State Bank.
 Ortonville—Citizens National Bk.
 Ortonville—First National Bank.
 Ortonville—Ortonville State Bank.
NO NON-MEMBER BANKS

Chippewa County

Big Bend City—Farmers State Bank. (Milan P. O.)
 Clara City—Clara City State Bk.
 Clara City—Citizens State Bank.
 Maynard—Home State Bank.
 Maynard—Farmers & Merchants State Bank.
 Maynard—Maynard State Bank.
 Milan—Peoples State Bank.
 Milan—State Bank of Milan.
 Montevideo—Chippewa County State Bank.
 Montevideo—Eliason State Bank.
 Montevideo—First National Bank.
 Montevideo—Montevideo State Bank.
 Watson—Farmers State Bank.
 Watson—First State Bank.
 Wegdahl—Farmers State Bank.
NON-MEMBER BANKS
 Montevideo—Farmers & Mer-

chants State Bank.

Douglas County

Alexandria Douglas County Bk.
 Alexandria—The Farmers National Bank.
 Alexandria—First National Bank.
 Alexandria—Park Region State Bank.
 Brandon—Farmers State Bank.
 Brandon—First National Bank.
 Carlos—First State Bank.
 Evansville—Evansville State Bk.
 Evansville—Farmers State Bank.
 Forada—Farmers State Bank.
 Garfield—Garfield State Bank.
 Holmes City—Holmes City State Bank.
 Melby—Melby State Bank.
 Millerville—Millerville State Bk.
 Miltona—Miltona State Bank.
 Nelson—Nelson State Bank.
 Osakis—First National Bank.
 Osakis—Osakis State Bank.

NON-MEMBER BANKS

Kensington—Farmers & Merchants State Bank.
 Kensington—First State Bank.
 Osakis—Farmers State Bank.

Grant County

Ashby—Farmers State Bank.
 Ashby—First State Bank.
 Barrett—Citizens State Bank.
 Barrett—Farmers State Bank of Barrett, Inc.
 Elbow Lake—Bank of Elbow Lake.
 Elbow Lake—First National Bk.
 Erdahl—First State Bank.
 Herman—First National Bank.
 Herman—Grant County State Bk.
 Hoffman—Farmers State Bank.

Hoffman—State Bank of Hoffman.

Norcross—State Bank of Norcross.

Wendell—First National Bank.

NON-MEMBER BANK

Wendell—Wendell State Bank.

Kandiyohi County

Atwater—Farmers State Bank.

Atwater—First National Bank.

Hawick—Hawick State Bank.

Kandiyohi—Farmers State Bank.

New London—Farmers State Bk.

New London—State Bank of New London.

Pennock—State Bank of Pennock.

Prinsburg—Prinsburg State Bank.

Raymond—Farmers State Bank.

Raymond—First National Bank.

Spicer—Green Lake State Bank.

Sunburg—Farmers State Bank.

Svea—State Bank of Svea.

Thorpe—First State Bank.

(via Atwater.)

Willmar—Bank of Willmar.

Willmar—Farmers Security State Bank.

Willmar—First National Bank.

Willmar—Kandiyohi County Bk.

NO NON-MEMBER BANKS

Lac Qui Parle County

Bellingham—Bellingham State Bk.

Bellingham—Farmers State Bank.

Boyd—Boyd State Bank.

Boyd—First State Bank.

Dawson—Bank of Dawson.

Dawson—Farmers & Merchants State Bank.

Dawson—First National Bank.

Louisburg—Louisburg State Bk.

Madison—First National Bank.

Madison—Lac Qui Parle County Bank.

Madison—Madison State Bank.

Marietta—Farmers & Merchants State Bank.

Marietta—Marietta State Bank.

Nassau—Nassau State Bank.

NO NON-MEMBER BANKS

Lyon County

Amiret—Amiret State Bank.

Balaton—First National Bank.

Balaton—First State Bank.

Cottonwood—Cottonwood State Bank.

Cottonwood—First National Bk.

Florence—State Bank of Florence.

Garvin—Farmers State Bank.

Ghent—Farmers State Bank.

Ghent—First State Bank of Ghent.

Green Valley—Farmers State Bk.

Lynd—Lynd State Bank.

Marshall—First National Bank.

Marshall—Lyon County National Bank.

Marshall—Marshall State Bank.

Minneota—Farmers & Merchants National Bank.

Minneota—First National Bank.

Russell—Farmers State Bank.

Russell—First State Bank.

Taunton—State Bank of Taunton.

Tracy—Citizens State Bank.

Tracy—Farmers & Merchants State Bank.

Tracy—First National Bank.

NO NON-MEMBER BANKS

Meeker County

Cosmos—First State Bank.

(Buffalo Lake P. O.)

Darwin—Farmers State Bank.

Dassell—Bank of Dassell.

Dassell—Citizens State Bank.

Eden Valley—Security State Bk.

Eden Valley—State Bank of Eden Valley.

Grove City—First State Bank.

Grove City—Merchants & Farmers State Bank.

Kingston—Kingston State Bank.

(via Dassell.)

Litchfield—Bank of Litchfield.

Litchfield—Citizens State Bank.

Litchfield—Farmers & Merchants State Bank.

Litchfield—First National Bank.

Watkins—Farmers State Bank.

Watkins—Watkins State Bank.

NO NON-MEMBER BANKS

Pope County

Cyrus—Farmers State Bank.
 Cyrus—State Bank of Cyrus.
 Farwell—Farwell State Bank.
 Glenwood—First National Bank.
 Glenwood—Glenwood State Bank.
 Glenwood — Pope County State Bank.
 Lowry—Lowry State Bank.
 Sedan — Farmers & Merchants State Bank.
 Starbuck—First National Bank.
 Starbuck—Security State Bank.
 Villard—Farmers State Bank.
 Villard—Villard State Bank.
 Westport—State Bank of Westport.

NON-MEMBER BANKS

Lowry—Farmers & Merchants State Bank of Lowry.
 New Prairie—Security State Bk. of New Prairie.

Renville County

Bird Island—Renville County St. Bank.
 Bird Island—State Bank of Bird Island.
 Buffalo Lake—Farmers State Bk.
 Buffalo Lake—State Bank of Buffalo.
 Danube—Danube State Bank.
 Fairfax—Citizens State Bank.
 Fairfax—First National Bank.
 Fairfax—State Bank of Fairfax.
 Franklin—Citizens State Bank.
 Franklin—State Bank of Franklin.
 Hector—Farmers & Merchants State Bank.
 Hector—State Bank of Hector.
 Morton—Farmers State Bank of Morton, Inc.
 Morton—State Bank of Morton.
 Olivia—Farmers State Bank.
 Olivia—Olivia State Bank.
 Olivia—Peoples First National Bank.
 Renville—First National Bank.
 Renville—O'Connor Brothers St. Bank.
 Renville—Renville State Bank.

Sacred Heart—Farmers State Bk.
 Sacred Heart — State Bank of Sacred Heart.

NO NON-MEMBER BANKS**Stevens County**

Alberta—Alberta State Bank.
 Chokio—Chokio State Bank.
 Donnelly—Farmers & Merchants State Bank.
 Donnelly—State Bank of Donnelly.
 Hancock—First National Bank.
 Hancock—Hancock National Bk.
 Morris—Citizens Bank.
 Morris—Morris National Bank.
 Morris—Stevens County State Bk.
NO NON-MEMBER BANKS

Swift County

Appleton—Appleton State Bank.
 Appleton—Farmers & Merchants State Bank.
 Appleton—First National Bank.
 Benson—First National Bank.
 Benson—Security State Bank.
 Benson—Swift County Bank.
 Clontarf—Farmers State Bank.
 Danvers—Danvers Farmers State Bank.
 Danvers—State Bank of Danvers.
 De Graff—Peoples State Bank.
 De Graff—State Bank of De Graff.
 Holloway—Farmers & Merchants State Bank of Holloway, Inc.
 Holloway—Peoples State Bank.
 Kerkhoven—First National Bank.
 Kerkhoven—Security State Bank.
 Kerkhoven—State Bank of Kerkhoven.
 Murdock—Farmers State Bank.
 Murdock—First State Bank.
 Swift Falls—Swift State Bank.
NO NON-MEMBER BANKS

Traverse County

Browns Valley — Browns Valley State Bank.
 Browns Valley — First National Bank.
 Dumont—First State Bank.
 Tintah—Farmers State Bank.
 Wheaton—First National Bank.

Wheaton — National Bank of Wheaton.

Wheaton—State Bank of Wheaton.

NO NON-MEMBER BANKS

Yellow Medicine County

Burr—Farmers State Bank.

Canby—Bank of Canby.

Canby—First National Bank.

Canby—National Citizens Bank.

Clarkfield—Citizens State Bank of Clarkfield, Inc.

Clarkfield—Clarkfield State Bank.

Echo—Farmers State Bank.

Echo—State Bank of Echo.

Granite Falls—First National Bk.

Granite Falls—Granite Falls Bk.
Granite Falls — Yellow Medicine County Bank.

Hanley Falls—Farmers State Bk.

Hanley Falls—First State Bank.

Hazel Run—Hazel Run State Bk.

Porter—Farmers State Bank of Porter.

Porter—State Bank of Porter.

St. Leo—Farmers State Bank.

St. Leo—First State Bank.

Wood Lake — State Bank of Wood Lake.

NON-MEMBER BANK

Clarkfield—Farmers & Merchants State Bank, Inc.

Eighth District Group

OFFICERS

President—ALFRED HOEL, First National Bank, Gilbert.

Vice President—J. D. MALONEY, American Exchange National Bank, Duluth.

Secretary-Treasurer—A. B. SHANK, First National Bank, Biwabik.

Other Members of Executive Committee—J. H. INGWERSEN, First National Bank, Duluth; J. A. GILLESPIE, First National Bank, Carlton.

Carlton County

Barnum—First National Bank.

Carlton—First National Bank.

Cloquet—First National Bank.

Cloquet—Northwestern State Bk.

Cromwell—State Bank of Cromwell.

Mahtowa—State Bank of Mahtowa.

Wright—Wright State Bank.

NON-MEMBER BANKS

Automba—Farmers State Bank.

Kettle River—Farmers State Bk.

Moose Lake—Farmers State Bk.

Moose Lake—Security State Bk.

Wrenshall—Wrenshall State Bk.

Cook County

Grand Marais — Cook County State Bank.

Grand Marais — Grand Marais State Bank.

NO NON-MEMBER BANKS

Itasca County

Big Fork—First State Bank.

Bovey—First National Bank.

Cohasset—Cohasset State Bank.

Coleraine—First National Bank.

Coleraine—Merchants & Miners State Bank.

Deer River—First National Bank.

Grand Rapids—First National Bk.

Grand Rapids—Security State Bk.

Keewatin—First National Bank.

Keewatin—Keewatin State Bank.

Mable—First National Bank.

Nashwauk — American National Bank.

Nashwauk—First National Bank.

Northome—First State Bank.

Warba—Warba State Bank.

NON-MEMBER BANKS

Calumet—Calumet State Bank.

Deer River—Farmers State Bank.

Taconite—First State Bank.

Koochiching County

Big Falls—First State Bank.

International Falls—First National Bank.

International Falls—International State Bank.

Little Fork—First National Bank.

Mizpah—State Bank of Mizpah.

Ranier—American State Bank.

Ray—Ray State Bank.

NO NON-MEMBER BANKS

Lake County

Two Harbors—Commercial State Bank.

Two Harbors—First State Bank.

NO NON-MEMBER BANKS

St. Louis County

Aurora—State Bank of Aurora.

Biwabik—First National Bank.

Buhl—Buhl State Bank.

Buhl—First National Bank.

Chisholm—Chisholm State Bank.

Chisholm—First National Bank.

Chisholm—Miners State Bank.

Cook—Farmers & Merchants State Bank.

Cook—First State Bank.

Duluth—American Exchange National Bank.

Duluth—Bank of Commerce & Savings, Inc.

Duluth—Central State Bank.

Duluth—Citizens State Bank.

Duluth—City National Bank.

Duluth—Duluth State Bank.

Duluth—First National Bank.

Duluth—Home State Bank of Duluth, Inc. West Duluth.

Duluth—Minnesota National Bk.

Duluth—Northern National Bank.

Duluth—Peoples State Bank of Duluth.

Duluth—Riverside State Bank.

Duluth—Western State Bank.

Duluth—A. R. MacFarlane & Co.

Ely—First National Bank.

Ely—First State Bank.

Eveleth—First National Bank.

Eveleth—Miners National Bank.

Eveleth—Peoples State Bank.

Floodwood—Farmers State Bank.

Floodwood—First State Bank.

Gilbert—First National Bank.

Hibbing—First National Bank.

Hibbing—Hibbing State Bank.

Hibbing—Merchants & Miners State Bank.

Hibbing—Security State Bank.

Kinney—Kinney State Bank.

Marble—First National Bank.

Meadowlands—Meadowlands State Bank.

Mountain Iron—Mountain Iron First State Bank.

Orr—Orr State Bank.

Proctor—First National Bank.

Tower—First State Bank.

Virginia—American Exchange National Bank.

Virginia—Farmers & Merchants State Bank.

Virginia—State Bank of Virginia.

NON-MEMBER BANKS

Aurora—First National Bank.

Brookston—Farmers State Bank.

Duluth—Park State Bank

Duluth—St. Louis County State Bank.

Duluth—First State Bank of New Duluth.

Proctor—Mesaba State Bank.

Virginia—First National Bank.

Ninth District Group

OFFICERS

President—J. M. HANSON, Polk County State Bank, Crookston.

Vice President—R. B. RATHBUN, Merchants National Bank, Detroit.

Secretary-Treasurer—T. M. ALEXANDER, Farmers & Merchants State Bank, Fergus Falls.

Other Members of Executive Committee—T. H. SMITH, Farmers State Bank, Mavie; G. G. KIMPEL, Citizens State Bank, Mahnomen.

Becker County

Audubon—Farmers State Bank.
Audubon—State Bank of Audubon.

Callaway—Citizens State Bank.
Detroit—Detroit State Bank.
Detroit—First National Bank.
Detroit—Merchants National Bk.
Detroit—Security State Bank.
Frazee—Citizens State Bank.
Frazee—First National Bank.
Lake Park—Becker County State Bank.
Lake Park—First National Bank.
Ogema—White Earth Reservation State Bank.

Ponsford—Ponsford State Bank.
Westbury—Westbury State Bank.

NON-MEMBER BANKS

Callaway—Callaway State Bank.
Evergreen—Evergreen State Bk.

Clay County

Baker—Baker State Bank.
Barnesville—Citizens State Bank.
Barnesville — Farmers National Bank.

Barnesville—First National Bank.
Comstock—Comstock State Bank.
Dale—Farmers State Bank.
Dilworth—Dilworth State Bank.
Downer—First State Bank.
Felton—First State Bank.
Georgetown — State Bank of Georgetown.

Glyndon—Farmers State Bank.
Glyndon—First State Bank.
Hawley—Farmers & Merchants State Bank.

Hawley—First National Bank.
Hawley—State Bank of Hawley.
Hitterdal—Clay County State Bk.
Hitterdal—Security State Bank.
Moorhead—Farmers & Merchants State Bank.

Moorhead—First National Bank.
Moorhead—First State Bank.
Moorhead — Moorhead National Bank.

Sabin—Sabin State Bank.
Ulen—First National Bank.
Ulen—Ulen State Bank .

NON-MEMBER BANKS

Averill—Averill State Bank.
Kragness—Kragness State Bank.
Rustad—Rustad State Bank.

Clearwater County

Bagley—Clearwater County State Bank.

Bagley—First National Bank.
Clearbrook—First State Bank.
Gonvick—Farmers State Bank.
Gonvick—First National Bank.
Leonard—First State Bank.
Shevlin—First State Bank.

NON-MEMBER BANK

Clearbrook—First National Bank.

Kitson County

Bronson—Bronson State Bank.
Bronson—Farmers State Bank.
Donaldson State Bank of Donaldson.

Hallock—Citizens State Bank.
Hallock—First National Bank.
Hallock—Kittson County State Bank.

Halma—Halma State Bank.
Humboldt—The First State Bank.
Karlstad—Farmers State Bank.
Karlstad—State Bank of Karlstad.

Kennedy—Citizens State Bank.
Kennedy—Farmers State Bank.
Lancaster—Farmers & Merchants State Bank.

Lancaster—First National Bank.
Northcote—Northcote State Bank.
Orleans—First State Bank.
St. Vincent — Farmers & Merchants State Bank.

NO NON-MEMBER BANKS**Mahnomen County**

Bejou—Farmers State Bank.
Mahnomen—Citizens State Bank.
Mahnomen—Security State Bank.
Waubun—Farmers State Bank.
Waubun—Waubun State Bank.

NO NON-MEMBER BANKS**Marshall County**

Alvarado—Farmers State Bank.
Alvarado—State Bank of Alvarado.

Arglye—Citizens State Bank.
Argyle—Farmers & Merchants Bank.

Argyle—First National Bank.
Gatzke—Farmers State Bank.
Grygla—Citizens State Bank.
Grygla—State Bank of Grygla.
Holt—Holt State Bank.
Middle River—Security State Bk.
Middle River—State Bank of Middle River.

New Folden—Farmers State Bk.
New Folden—Peoples State Bk.
Oslo—Citizens State Bank.
Oslo—First State Bank.
Radium—Farmers State Bank of Radium.

Rosewood—Farmers State Bank.
Stephen—Farmers State Bank.
Stephen—First National Bank.
Stephen—State Bank of Stephen.
Strandquist—Farmers & Merchants State Bank.
Viking—State Bank of Viking.
Warren—First National Bank.
Warren—State Bank of Warren.
Warren—Warren National Bank.
NO NON-MEMBER BANKS

Norman County

Ada—Ada National Bank.
Ada—Farmers & Merchants State Bank.

Ada—First National Bank.
Ada—First State Bank of Ada.
Borup—Security State Bank.
Flom—Farmers State Bank.
Gary—Farmers State Bank.
Gary—First State Bank.
Halstad—First National Bank.
Halstad—State Bank of Halstad.
Hendrum—Farmers State Bank of Hendrum.
Hendrum—State Bank of Hendrum.

Perley—First State Bank.
Shelly—Farmers State Bank.
Shelly—State Bank of Shelly.
Syre—First State Bank.
Twin Valley—Citizens State Bk.
Twin Valley—First National Bk.
Twin Valley—Security State Bk.

NON-MEMBER BANKS

Lockhart—First State Bank.
Perley—Farmers & Merchants State Bank.

Ottertail County

Almora—Almora State Bank.
Battle Lake—First National Bank.
Battle Lake—First State Bank.
Bluffton—State Bank of Bluffton.
Carlisle—Farmers State Bank.
Clitherall—First State Bank.
Dalton—Farmers & Merchants State Bank.

Dalton—First State Bank.
Deer Creek—Farmers State Bank.
Deer Creek—First National Bank.
Dent—Farmers State Bank.
Elizabeth—Merchants State Bank.
Erhard—Erhard State Bank.
Fergus Falls—American State Bk.
Fergus Falls—Farmers & Merchants State Bank.
Fergus Falls—Fergus Falls National Bank.
Fergus Falls—First National Bk.
Fergus Falls—First State Bank.
Fergus Falls—Guaranty Trust & Savings Bank.

Henning—Farmers State Bank.
Henning—First National Bank.
New York Mills—Farmers & Merchants State Bank.

New York Mills—First State Bk.
Ottertail—Farmers State Bank.
Parkers Prairie—First National Bank.

Parkers Prairie—State Bank of Parkers Prairie.
Pelican Rapids—First National Bank.

Pelican Rapids—J. P. Wallace State Bank.
Pelican Rapids—Pelican Rapids State Bank.

Perham—First National Bank.
Perham—State Bank of Perham.
Richville—Farmers State Bank.
Underwood—Farmers State Bank.
Underwood—First State Bank.
Urbank—Urbank Farmers State Bank.

Vergas—Farmers State Bank.
 Vining—Lunds State Bank.
NO NON-MEMBER BANKS

Pennington County

Goodridge—Farmers State Bank.
 Goodridge—Goodridge State Bk.
 Hazel—Citizens State Bank.
 Mavie—Farmers State Bank of Mavie.

St. Hilaire—Farmers State Bank.
 St. Hilaire—Merchants State Bk.
 Thief River Falls—Citizens State Bank.

Thief River Falls—Farmers & Merchants State Bank.

Thief River Falls—First National Bank.

Thief River Falls—First & Peoples State Bank.

NO NON-MEMBER BANKS

Polk County

Angus—Farmers State Bank of Angus, Inc.

Beltrami—Farmers State Bank.

Beltrami—First State Bank.

Climax—Farmers State Bank.

Climax—State Bank of Climax.

Crookston—Crookston State Bk.

Crookston—Crookston Trust Co.

Crookston—First National Bank.

Crookston—Merchants National Bank.

Crookston — Polk County State Bank.

Crookston — Scandia American Bank.

East Grand Forks—First National Bank.

East Grand Forks—First State Bank.

Eldred—State Bank of Eldred.

Erskine—First National Bank.

Erskine—State Bank of Erskine.

Euclid—First State Bank.

Fertile—Citizens State Bank.

Fertile—Farmers State Bank.

Fertile—First State Bank.

Fisher—Bank of Fisher.

Fisher—Red River Valley State Bank.

Fosston—Farmers State Bank.

Fosston—First National Bank.

Gentilly—Farmers State Bank.

Gully—First State Bank.

Lengby—Farmers State Bank.

McIntosh—Citizens State Bank.

McIntosh—First National Bank.

Mentor—First State Bank.

Nielsville—State Bank of Nielville.

Tabor—Tabor State Bank.

Trail—Trail State Bank.

Winger—Farmers State Bank.

Winger—Winger State Bank.

NO NON-MEMBER BANKS

Red Lake County

Brooks—First State Bank.

Oklee — Farmers & Merchants State Bank.

Oklee—First State Bank.

Plummer—Farmers State Bank of Plummer, Inc.

Plummer—First State Bank.

Red Lake Falls—Citizens State Bank.

Red Lake Falls—Farmers National Bank.

Red Lake Falls—First State Bk.

Red Lake Falls—Merchants State Bank.

Wylie—First State Bank of Wylie, Inc.

NO NON-MEMBER BANKS

Roseau County

Badger—First State Bank.

Badger—Scandinavian American State Bank.

Greenbush — Farmers & Merchants State Bank.

Greenbush—Peoples State Bank.

Greenbush—State Bank of Greenbush.

Pine Creek—First State Bank.

Roosevelt—First State Bank.

Roseau—Citizens State Bank.

Roseau—Farmers & Merchants State Bank.

Roseau—First National Bank.

Salol—Salol State Bank.

Strathcona—Strathcona State Bk.

Warroad—First National Bank.
Warroad—Security State Bank.
Wannaska—Farmers State Bank.

NON-MEMBER BANK

Roseau—Roseau County National Bank.

Wilkin County

Breckenridge—Breckenridge National Bank.

Breckenridge—Farmers & Merchants State Bank.

Breckenridge—First National Bk.

Brushvale—Brushvale State Bank.
Campbell—The First National Bk.
Campbell—Security State Bank.
Doran—State Bank of Doran.
Foxhome—State Bank of Foxhome.

Kent—Kent State Bank.
Lawndale—Lawndale State Bank.
Nashua—First State Bank.
Rothsay—Farmers State Bank.
Rothsay—First State Bank.
Tenney—State Bank of Tenney.
Wolverton—Wolverton State Bk.

NO NON-MEMBER BANKS

Tenth District Group

OFFICERS

President—J. W. PRIBYL, Farmers & Merchants State Bank, Monticello.

Vice President—H. N. LUNGWITZ, First State Bank, Silver Creek.

Secretary-Treasurer—A. R. BERGLUND, Farmers & Merchants State Bank, Zimmerman.

Other Members of Executive Committee—H. S. QUIGGLE, Bankers National Bank, Minneapolis; BAZEL HUNTER, St. Francis State Bank, St. Francis.

Anoka County

Anoka—Anoka National Bank.
Anoka—Farmers State Bank.
Anoka—State Bank of Anoka.
Bethel—State Bank of Bethel.
Cedar—Farmers State Bank.
St. Francis—St. Francis State Bk.

NO NON-MEMBER BANKS

Chisago County

Almelund—Farmers State Bank.
(Center City P. O.)
Center City — Chisago County State Bank.

Chisago—City Farmers State Bk.
Chisago—Security State Bank.
Harris—State Bank of Harris.
Lindstrom—First State Bank.

Lindstrom—Security State Bank.
North Branch—Farmers State Bk.
North Branch—Merchants State Bank.

Rush City—First National Bank.
Rush City—State Bank of Rush

City.

Shafer—Shafer State Bank.
Stacy—First State Bank of Stacy.
Sunrise—Farmers State Bank of Sunrise, Inc.
Taylors Falls—Stannard State Bk.
Wyoming—First State Bank.

NO NON-MEMBER BANKS

Part of Hennepin County

Champlin—First State Bank.
Dayton—The First State Bank.
Excelsior—Minnetonka State Bk.
Hamel—Farmers State Bank.
Hopkins—First National Bank of West Minneapolis.
Hopkins—State Bank of Hopkins.
Long Lake—State Bank of Long Lake.

Loretto—State Bank of Loretto.
Lyndale — Lyndale State Bank
(Via Maple Plain.)

Maple Plain — State Bank of Maple Plain.

Minneapolis — Bankers National Bank.
 Minneapolis—Camden Park State Bank.
 Minneapolis — Continental State Bank.
 Minneapolis—Gateway State Bk.
 Minneapolis — Hennepin County Savings Bank.
 Minneapolis—Industrial State Bk.
 Minneapolis — Lincoln National Bank.
 Minneapolis — Lincoln Trust & Savings Bank.
 Minneapolis—Market State Bank.
 Minneapolis — Mercantile State Bank.
 Minneapolis—Merchants & Manufacturers State Bank.
 Minneapolis—The North American Bank of Minneapolis.
 Minneapolis—North Commercial State Bank.
 Minneapolis—North Side State Bank.
 Minneapolis—State Deposit Bank.
 Minneapolis—Western State Bk.
 Minneapolis—Drake Ballard Company.
 Minneapolis—Grandin Investment Co.
 Minneapolis—Penn Avenue State Bank.
 Minneapolis—Republic State Bk.
 Minneapolis—S. W. Straus & Co.
 Mound—State Bank of Mound.
 Osseo—Citizens State Bank.
 Osseo—Farmers State Bank.
 Robbinsdale—Security State Bk.
 Rogers—State Bank of Rogers.
 St. Bonifacius—Farmers State Bk. of St. Bonifacius, Inc.
 Wayzata—Wayzata State Bank.

NON-MEMBER BANKS

St. Bonifacius—Peoples State Bk.
Minneapolis—Bankers Trust & Savings Bank.

Isanti County

Braham—Braham State Bank.
 Braham—First National Bank.
 Cambridge—First National Bank.

Cambridge—First State Bank.
 Cambridge—Isanti County State Bank.
 Dalbo—State Bank of Dalbo.
 Grandy—State Bank of Grandy.
 Isanti—First National Bank.
 Isanti—First State Bank.
 Spring Lake—Peoples State Bank. (R. F. D. 1 North Branch.)
 Stanchfield—First State Bank.

NO NON-MEMBER BANKS

Kanabec County

Brunswick—State Bank of Brunswick.
 Grasston—First State Bank.
 Mora—First National Bank.
 Mora—State Bank of Mora.
 Ogilvie—Farmers & Merchants State Bank.
 Ogilvie—State Bank of Ogilvie.
 Quamba—Quamba State Bank.

NO NON-MEMBER BANKS

Mille Lacs County

Bock—State Bank of Bock.
 Foreston—Foreston State Bank.
 Wahkon—The Soo State Bank.
 Isle—Security State Bank.
 Isle—State Bank of Isle.
 Long Siding—Long Siding State Bank.
 Milaca—First National Bank.
 Milaca—Milaca State Bank.
 Milaca—Security State Bank.
 Onamia—First State Bank.
 Pease—State Bank of Pease.
 Princeton—First National Bank.
 Princeton—Princeton State Bank.
 Princeton—Security State Bank.

NO NON-MEMBER BANKS

Pine County

Askov—First State Bank.
 Beroun—State Bank of Beroun.
 Brook Park—Brook Park State Bank.
 Bruno—State Bank of Bruno.
 Denham—Farmers State Bank.
 Finlayson—First State Bank.
 Groningen—Groningen State Bk.
 Henriette—First State Bank.

Hinckley—Farmers & Merchants State Bank.

Hinckley—State Bank of Hinckley.

Kerrick—Kerrick State Bank.

Pine City—Farmers & Merchants Markville—Markville State Bank. State Bank.

Pine City—First National Bank.

Rock Creek—Farmers State Bank.

Sandstone—First National Bank.

Sandstone—Security State Bank.

Sturgeon Lake—Sturgeon Lake State Bank.

Willow River—State Bank of Willow River.

Cloverton—Cloverton State Bank.

NON-MEMBER BANK

Sherburne County

Becker—State Bank of Becker.

Big Lake—Big Lake Farmers State Bank.

Big Lake—First National Bank.

Clear Lake—First State Bank.

Elk River—Bank of Elk River.

Elk River—First National Bank.

Santiago—Santiago State Bank.

Zimmerman—Farmers & Merchants State Bank.

NO NON-MEMBER BANKS

Wright County

Albertville—Albertville State Bk.

Annandale—Citizens State Bank.

Annandale—State Bank of Annandale.

Buffalo—First National Bank.

Buffalo—Oakley State Bank.

Buffalo—State Bank of Buffalo.

Clearwater—Clearwater State Bk.

Clearwater—First State Bank.

Cokato—Citizens State Bank of Cokato.

Cokato—Farmers & Merchants State Bank.

Cokato—State Bank of Cokato.

Delano—First National Bank.

Delano—State Bank of Delano.

French Lake—Farmers State Bk.

(Via Annandale.)

Hanover—Hanover State Bank.

Howard Lake—American State Bank of Howard Lake, Inc.

Howard Lake—Bank of Howard Lake.

Maple Lake—Maple Lake State Bank.

Maple Lake—Security State Bank.

Monticello—Citizens State Bank.

Monticello—Farmers & Merchants State Bank.

Monticello—State Bank of Monticello.

Montrose—State Bank of Montrose.

Rockford—Farmers State Bank.

Rockford—State Bank of Rockford.

St. Michael—State Bank of St. Michael.

Silver Creek—First State Bank. (P. O. Hasty.)

South Haven—First State Bank.

Waverly—Citizens State Bank.

Waverly—State Bank of Waverly.

NO NON-MEMBER BANKS

Constitution and By-Laws

OF THE

MINNESOTA BANKERS ASSOCIATION

AS AMENDED

DECLARATION

The Minnesota Bankers Association was organized and is maintained in order to promote the general welfare and usefulness of banks and banking institutions, and to secure uniformity of action, together with the practical benefits to be derived from personal acquaintance and from the discussions of subjects of importance to the banking and commercial interests of this State; especially in order to secure the proper consideration of questions regarding the financial usages, customs and laws which affect the banking and commercial interests of the entire State, and for the protection against loss by crime.

We, the members of the Minnesota Bankers Association, appreciating the importance of concerted action, do hereby agree to be governed by the following Constitution and By-Laws:

CONSTITUTION

ARTICLE I

NAME

The name of this Association shall be the "Minnesota Bankers Association."

ARTICLE II

MEMBERSHIP

SECTION 1. "Active"—Any National or State Bank, Trust Company, or Savings Bank, of Minnesota, may become a member of this Association upon the payment of such annual dues as shall be provided for in the By-Laws.

Any Corporation, Firm or Individual, dealing in Bonds, Mortgages, or Commercial Paper, may become a member upon invitation from the Council of Administration, subject to the provisions of the By-Laws. Any member may be expelled from the Association upon a two-thirds vote of the Delegates present at any regular meeting.

SEC. 2. "Honorary"—Honorary members shall be elected by the Council of Administration, and such members shall be entitled to enjoy all the privileges and courtesies of the Association, including its conventions and group meetings, except the right to vote, to hold elective office, or to participate in the benefits of the protective work of the Association.

The word "Member" as hereinafter used in the Constitution and By-Laws shall refer to such members only as have paid annual dues to the Association.

ARTICLE III

DELEGATES

SECTION 1. A delegate must be: An officer or Director or Trustee of the Institution, or a member of the firm he represents.

SEC. 2. In the election of officers and in all other matters upon which a vote is taken by the Association each member shall have one vote only, to be cast by its properly accredited delegate. No delegate shall represent more than one member; no member shall be represented by more than one delegate.

SEC. 3. Delegates shall vote in person; no voting by proxy shall be permitted. All votes shall be viva voce, unless otherwise ordered, except on elections which shall be by ballot; any delegate may at any time demand a division of the house.

ARTICLE IV

OFFICERS AND ADMINISTRATION

SECTION 1. The Officers of the Association shall be a President, a Vice-President, a Secretary and a Treasurer.

SEC. 2. The administration of the affairs of the Association, not otherwise delegated, shall be vested in a Council of Administration, consisting of the President; Vice-President; the retiring President; the Secretary; the Treasurer; and one member elected, subject to the approval of the general convention, from each Congressional District of the State; all of whom, excepting the Secretary, shall be officials of banks which are active members. Provided, however, that the present

members of the Executive Council shall serve on the Council of Administration until the term of which they were elected shall have expired.

SEC. 3. The President, Vice-President, and Treasurer shall be elected by ballot at each annual meeting, and shall serve one year, or until their successors are elected.

SEC. 4. As the terms of office of the present members of the Executive Council expire—excepting the “members at large”—their successors shall be elected by their respective groups to serve on the Council of Administration, for a period of three years, or until their successors are elected or appointed.

SEC. 5. If any officer, or member of the Council of Administration, excepting the Secretary, ceases to be actively engaged in the banking business, he shall thereupon be held to have vacated his office in this Association.

SEC. 6. Where a member of the Council of Administration, excepting the Secretary, shall have served one-half or more of a full three year term, he shall not be eligible to succeed himself.

ARTICLE V

AMENDMENTS

SECTION 1. This Constitution may be altered or amended at any general meeting by a vote of two-thirds of the delegates present and entitled to vote; provided, however, that no vote on any proposed amendment to the Constitution shall be taken prior to the next day following the introduction of such proposed amendment at a regular session of such general meeting.

BY-LAWS

ARTICLE I

SECTION 1. All annual dues shall be payable at the commencement of each calendar year. The secretary shall draw a draft upon each member for the amount of its respective regular annual dues, giving notice thereof, and such draft when paid shall constitute an official receipt for the payment of said regular annual dues.

Banks joining the Association after July 1st of any year shall pay as dues for balance of such calendar year one-half the amount of the regular annual dues.

SEC. 2. The regular annual dues of each active member shall be:

Banks and Trust Companies with less than \$15,000 capital and surplus	\$ 5.00
Banks and Trust Companies with \$15,000 capital and surplus and less than \$50,000	10.00
Banks and Trust Companies with \$50,000 capital and surplus and less than \$100,000	15.00
Banks and Trust Companies with \$100,000 capital and surplus and less than \$500,000	20.00
Banks and Trust Companies with \$500,000 capital and surplus and less than \$1,000,000	50.00
Banks and Trust Companies with \$1,000,000 capital and surplus or more	75.00
Any active member, a corporation, firm or individual dealing in Bonds, Mortgages or Commercial Paper	5.00

In computing dues the word "Surplus" shall be construed as including Undivided Profits.

ARTICLE II

POWERS AND DUTIES OF THE COUNCIL OF ADMINISTRATION

SEC. 1. The Council of Administration shall:

a. Hold a meeting immediately preceeding the holding of any annual meeting of the Association and arrange for the order of business.

b. Hold a meeting immediately after the final adjournment of each annual meeting of the Association; elect a Secretary and appoint any other employees required for the business of the Association. It shall be the duty of the Council of Administration to fix all salaries of employees.

c. Hold a meeting as soon after January 1st of each year as convenient, at which meeting reports from the Secretary, the Treasurer, and standing committees shall be presented and considered.

d. Special meetings of the Council of Administration may be called by the President, and shall be called by the Secretary, whenever he may be so directed in writing by five members of the Council.

e. It shall have charge of the general business of the Association, arrange for holding the annual conventions and other meetings, and carry into effect the resolutions passed. It shall have power to fill vacancies that may occur in any of the offices of the Association and in the membership of the Council.

f. It shall provide for keeping the records of the proceedings of its own meetings, as well as the Association's annual or special meetings.

g. It shall submit at each annual meeting a report covering its own official acts, as well as a statement of any new or unfinished business requiring attention.

h. It shall make full statement of the financial condition of the Association.

i. It shall furnish and send to each active member of the Association a uniform membership sign bearing these words: "Member Minnesota Bankers Association." The sign shall remain the property of the Association and shall be returned to the Secretary should the membership of the holder be terminated.

j. It shall furnish and send to each member a copy of the annual year book, containing a full report of the annual convention.

k. The Council of Administration may from time to time make such rules relating to the affairs of the Association as it may deem wise, provided that such rules shall not conflict with the Constitution and By-Laws.

1. The Council of Administration may upon unanimous vote, levy one additional assessment each year upon the active members in an amount, not exceeding one-half of their regular annual dues.

ARTICLE III

DUTIES OF OFFICERS

SECTION 1. The President shall preside at all meetings of the Association and of the Council of Administration, and shall countersign warrants for the payment of money before same shall be paid by the Treasurer, and shall appoint all committees unless otherwise ordered by the Association.

SEC. 2. The Vice-President shall perform the duties of the President in the event of the absence or inability of the latter.

SEC. 3. The Secretary shall have charge of the headquarters or office of the Association; conduct the correspondence of the Association; make and have charge of the records of the Association, as well as those of the Council of Administration; act as Secretary of the Council of Administration; act as Secretary of the Protective Committee, and promptly send to each member of the Association such reports and information as may be of value to them regarding attempted or accomplished crimes against banks; act as Secretary for the other committees of this Association whenever practicable to do so; collect dues from members and issue to members receipts therefore; collect moneys due this Association from any other source; turn over all Association funds to the Treasurer, taking his receipt therefore; sign all warrants for the payment of money before same shall be paid by the Treasurer; render, in writing, an annual report to the Association at its annual meeting; prepare a complete statement of financial transactions before the annual meeting of the Association, make the preliminary arrangements for the annual meetings, subject to the approval of the Council of Administration; compile the official report of proceedings of each annual meeting, arrange for publication of same and issue to each member a copy thereof. The Secretary shall receive such compensation for his services as the Council of Administration shall determine.

SEC. 4. The Treasurer shall receive from the Secretary all moneys belonging to this Association and account for same, paying out such moneys only on warrants, countersigned by the President, or Vice-President, and signed by the Secretary of this Association. The Treasurer shall make a full report of receipts and expenditures at each annual meeting, or such other time as he may be directed by the Council of Administration, and shall turn over all funds to his successor in office.

SEC. 5. The Secretary and the Treasurer shall furnish bonds in such sum and in such manner as the Council of Administration may prescribe at the expense of the Association.

ARTICLE IV

PROTECTIVE DEPARTMENT

SECTION 1. The President shall appoint a Standing Protective Committee of three persons, whose names shall not be made public. The said Committee shall control all action looking to the detection, prosecution, and punishment of persons attempting to cause or causing criminal loss, to any member of the Association.

SEC. 2. The said Committee, when called upon by any member of the Association, through the Secretary, shall forthwith take such steps as it shall deem proper to insure the arrest and prosecution of the party charged with crime.

SEC. 3. The said Committee is prohibited from compromising or compounding with parties charged with crime, or with their agents or attorneys.

SEC. 4. All detective or legal expenses and costs shall be paid by the Association out of any moneys in the treasury not otherwise appropriated; subject, however, to the approval of a quorum of the Council of Administration.

SEC. 5. All members of the Association, when called upon by the Secretary, in behalf of the Protective Committee, for information or aid, shall promptly respond by giving all the assistance in their power; and all members shall at all times notify the Secretary, who shall promptly notify the committee, of any attempted or accomplished crime reported to him when likely to affect other members of the Association.

ARTICLE V

EXPENDITURES

SECTION 1. The Council of Administration shall have no authority to incur or contract, on behalf of this Association, any liability exceeding in amount the total annual dues of the members of this Association and such additional dues as the By-Laws permit the Council to levy; no part of the funds of this Association shall be used for the purpose of defraying the expenses of any member of the Council of Administration, except those incurred in attending meetings of the Council of Administration other than meetings held at the time of any annual meeting of the Association.

SEC. 2. The ordinary expenses of members of committees appointed by the President or Council of Administration incurred in attending meetings other than those held at the time of any annual meeting shall be paid by the Association.

ARTICLE VI

WITHDRAWAL FROM ASSOCIATION

SECTION 1. Any member not in arrears for dues may withdraw from this Association at any time.

SEC. 2. Any bank failing to pay within thirty days any draft drawn on it by the Secretary for the amount of its dues shall be considered as having withdrawn from membership.

SEC. 3. Any active member ceasing to carry on active business as a bank or financial business as provided in Section 1, Article II, of Constitution, whether by reason of voluntary liquidation or failure, shall thereby cease to be a member of this Association.

ARTICLE VII

SECTION 1. Resolutions on subjects for discussion (except those referring to points of order or matters of courtesy) shall be submitted, in writing, to the Council of Administration at least one day before the annual meeting of the Association, but any delegate desiring to present any resolution to the annual convention, without submitting it to the Council of Administration, may do so upon consent of a majority of the delegates present.

ARTICLE VIII

SECTION 1. Each group shall elect a chairman, Vice-Chairman, Secretary, Treasurer, and such other officers as may be provided for in its Constitution, which Constitution shall not conflict with the Constitution or By-Laws of this Association.

SEC. 2. Each group shall hold at least one annual meeting, but such meeting shall be held prior to the annual convention of this Association.

SEC. 3. To help defray the expense of the group organizations there shall be paid to each group, holding annual meetings, from the general fund of the Association, the amount of

one dollar per capita for each member of that Group. Provided, however, that this amount shall in no case be paid unless the Group is sufficiently active to hold at least one meeting a year.

ARTICLE IX

SECTION 1. These By-Laws and others, not inconsistent with the constitution, may be adopted, amended, altered, or suspended at any general meeting of this Association by a majority vote of the delegates present and entitled to vote.

ARTICLE X

DISCLAIMER

SECTION 1. No opinion expressed, principles advocated, theories advanced or policies suggested by any party or person, however presented, shall be deemed to have had the endorsement of this Association unless the question of so endorsing shall have been referred to the Council of Administration; shall have been reported upon by it; and shall have been specifically voted upon, receiving a majority of the votes of the delegates present and entitled to vote at any general meeting of the Association.

This article of the By-Laws shall be published in every report of the proceedings of any convention.

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